



One of the Israel Defence Forces positions at the port of Sidon, Lebanon, that were attacked yesterday. This photo was taken a few days ago. (Scoop 80)

## Sidon port shut after IDF hit

By MENAHEM HOROWITZ  
Jerusalem Post Reporter

METULLA. — Eleven soldiers were wounded, one critically, and a Lebanese civilian was killed in a series of explosions in Sidon port yesterday morning. Four soldiers were hurt in an incident in eastern Lebanon.

The critically injured soldier was taken to Rambam Hospital in Haifa. Of the other Israeli casualties at the port, all of whom were lightly wounded, seven were hospitalized in Rambam and three in the Nahariya hospital.

IDF authorities closed the port until further notice, despite objections from local fishermen.

Three Lebanese civilians were also wounded in the explosions, which seem to have been well-planned by terrorists employing remote-control detonators.

Radio Beirut reported that in the first explosion, an IDF armoured personnel carrier was hit by a bomb placed on a pier. When another IDF vehicle arrived soon afterwards, the two other bombs, one of them in a small boat, went off.

A curfew was imposed on the area. Roadblocks were put up and searches were conducted.

Sidon has been the scene of recent attacks, mostly with light arms, on both IDF and Haddad militia forces.

A fourth bomb went off elsewhere in Sidon yesterday as an IDF patrol was passing. No one was hurt.

Four soldiers were hurt when their armoured personnel carrier went over a mine near the village of Baalul in the eastern sector in Lebanon. The wounded were evacuated to hospital by helicopter. This was the first such incident for a long time on this sector.

## Israel ready to revise pact with Lebanese

By DAVID LANDAU  
and ASHER WALLFISH  
Jerusalem Post Reporters

Israel signalled yesterday that it is ready to negotiate new security arrangements for South Lebanon in place of the May 17 1982 agreement which Beirut is about to abrogate. But the Jemayel government has so far made "no serious proposals," according to informed Israeli sources. And even if such proposals are made, there is grave doubt and deep pessimism in Jerusalem as to their credibility and their prospect of being effectively implemented.

For the moment, with the actual act of abrogation still pending in Beirut, official Jerusalem remains wedded to the May 17 agreement. Official spokesmen still rail against its imminent abrogation, and warn that Israel would feel free to act "unilaterally" if Lebanon cancels the accord.

In practice, though, the government has indicated that it would be interested in discussing alternative arrangements for security in the south. "What is important," said Interior Minister Yosef Burg yesterday, "is not the paper, but the reality. We are striving for security." Burg told a radio interviewer that Israel would willingly negotiate with the Syrians or with Lebanese groups — "whoever can help provide security."

Other cabinet sources disclosed that some "preliminary, limited" contacts with Lebanese officials had taken place — but nothing you could call negotiations.

Cabinet Secretary Dan Meridor denied reports that an Israeli emissary had met with Lebanon's President Amin Jemayel on the island of Rhodes on Thursday night. Jemayel spent the night there on his way back from talks with President Hafez Assad in Damascus.

Some government sources complained that Jemayel was unwilling to engage in face-to-face dialogue with Israeli emissaries. Others seemed to anticipate that the Lebanese president would launch a discreet, high-level dialogue in the days ahead, and would present to Israel ideas for alternative security arrangements in the south.

Syria and opposition forces in Lebanon insist that Jemayel abrogate the May 17 agreement with Israel because it provides for some political recognition and normalization of relations between the two countries. Syria also rejects the principle of simultaneous withdrawal upon which the agreement was predicated.

There is, however, scepticism at best and cynicism at worst regarding the credibility of any alternative security arrangements that Jemayel could offer. "He has no soldiers to send to the south," a well-placed source said bitterly last night. "He is almost a caricature."

Defence Minister Moshe Arens is understood to have expressed these doubts in his meetings with U.S. Secretary of State George Shultz and other senior policymakers in Washington last week.

Many government figures seek to blur the bleakness of the outlook for Israel in Lebanon. "We are not in a hurry (to discuss a renegotiation of the May 17 agreement)," one minister assured *The Jerusalem Post* last night.

But other key policymakers were badly shaken by yesterday's high toll of casualties in Sidon — especially since the incidents followed a period of relative quiet in the town.

The prevailing feeling in the cabinet is that plans for a redeployment southwards must be held in abeyance so long as uncertainty continues in Beirut.

IDF Chief of Staff Rav-Aluf Moshe Levy last night said that the IDF should not be called on to leave Lebanon now, but only when Israel is certain that it has a secure northern border.

Levy said Israel needs patience and perseverance which together will allow it to find a solution to the difficulties in Lebanon.

He was the guest speaker at the third annual dinner of the Israel Council of Young Israel, held at the Jerusalem Laromme Hotel. Aharon Meir of United Mizrahi Bank and Mr. and Mrs. Aharon Krumbein were guests of honour.

## Way clear for Lebanon conference

By DAVID BERNSTEIN  
Post Middle East Affairs Reporter  
and agencies

Syrian President Hafez Assad appears to have persuaded two key opposition leaders in Lebanon to drop their opposition to the agreement he had reached last week with President Amin Jemayel. This clears the way for an early resumption of the suspended Lebanese National Reconciliation Conference in Geneva.

Shiite leader Nabih Berri told reporters in Damascus yesterday that he and Druse leader Walid Jumblatt had reached an agreement with Assad on a constitutional formula for scrapping last May's Lebanese-Israeli accord.

"This agreement provides for the declaration of an abrogation by the Lebanese president, Amin Jemayel, and the Lebanese cabinet without the need for abrogation by the parliament," Berri was quoted as saying.

saying.

Details of the agreement were conveyed to Lebanese Foreign Minister Elie Salem, who arrived in Damascus yesterday for his first meeting with the two opposition leaders in more than two months and returned to Beirut last night to brief Jemayel.

The agreement could enable Jemayel to meet the deadline set by

Jumblatt during the weekend, according to which the Lebanese opposition would refuse to cooperate with Jemayel if he failed to publicly announce the abrogation of the May accord by tonight.

Both Jumblatt and Berri were extremely perturbed by Assad's apparent failure to insist that Jemayel scrap the pact unconditionally. (Continued on back page)

## Reprimand, but no more, for W. Bank heads

By ASHER WALLFISH  
and DAVID LANDAU  
Jerusalem Post Reporters

West Bank leaders who met in Amman last week with PLO chairman Yasser Arafat are to be reprimanded but not prosecuted. This was decided in high-level deliberations in Jerusalem yesterday on the recommendation of the Defence Ministry.

Certain policymakers, among them former defence minister Ariel Sharon, demanded tough judicial action against Bethlehem Mayor Elias Freij and some 30 other mainly moderate figures on the West Bank who crossed the Jordan to urge King Hussein and Yasser Arafat to agree on a common policy for the Palestine problem.

Contact with Arafat, as the leader of a proscribed, hostile organiza-

tion, is forbidden under military ordinances promulgated in the late 1960s.

Unlike the parallel Israeli laws governing contact with the enemy, there is no test of motive in the military ordinances: in other words, even if the contact had no harmful purpose, it is still an offence.

Nevertheless, Prime Minister Yitzhak Shamir and most policymakers favoured a pragmatic approach in the case of last week's meeting with Arafat. The partici-

pants will be reprimanded by Israeli officers, and urged not to participate in similar meetings.

Ariel Sharon asserted publicly last week that the meeting with Arafat in Amman was "unprecedented since 1967."

But cabinet sources said yesterday that this was not correct: there had been many such meetings in the past, though fewer in recent years following the disbandment of the "National Guidance Council" on the West Bank in 1979.

## Tehiya demands Porat give back his mandate

Post Political Reporter

TEL AVIV. — The Tehiya Party secretariat met last night and asked MK Hanan Porat to resign immediately and to hand back his Knesset seat to the party. The secretariat's move followed

overtures to Porat from the National Religious Party's Lamifne faction, headed by Interior Minister Yosef Burg, who is seeking to set up a new NRP with the help of Porat and Matzav MK Haim Druckman. (Burg's bid — page 3)

## Tax revenue down by 23% from February last year

By AVI TEMKIN  
Post Economic Reporter

Tax collection continued to decline last month. According to figures released yesterday by the Treasury, state revenue from taxes totalled some \$85 billion in February, a 23 per cent decrease in real terms from February 1983.

The ministry announced that since last April, tax revenue went down by 4.8 per cent in real terms as compared with the April 1982-February 1983 period. In the past 11 months the Treasury has collected some \$60 billion in taxes.

This figure is the result of two different trends during the current fiscal year which ends March 31. In the first months of the year there was a large rise in tax collection as rates were increased and new levies imposed. But since October there has been a marked slump in revenue, forcing the Treasury to print money to finance the government's spending.

The Finance Ministry conceded yesterday that tax collection has fallen not only because of the drop in imports and the decrease in wages because of the recession, but due to "factors which are dependent on the tax system itself." The Ministry added that it hopes to be able to increase collection in the coming months.

Treasury officials hope the situation will improve with the departure of the current State Revenue Administration head Moshe Bar-Tov, who is to be replaced by the ministry's director-general Emanuel Sharon in April.

Bar-Tov's year-long presence in the administration was marked by constant rows with his top officials, including Income Tax Commissioner Dov Neiger.

According to the figures released

yesterday, income tax collection went down by some 30 per cent in real terms last month compared with its level the previous year. In February, income tax authorities collected some \$45 billion, compared with some \$52 billion in February 1983.

The Treasury said the figures reflected the abolition of levies imposed to finance the war in Lebanon and the drop in real wages. But the ministry conceded that the decrease was also caused by the large fall in tax collection from corporations and the self-employed.

Revenue from import taxes and customs totalled some \$9 billion in February, some 31 per cent less in real terms than in the same month last year. This was the result of a 15 per cent drop in the level of imports.

Income from the Value Added Tax totalled some \$25 billion in February, compared to \$28 billion in February 1983, an 8.3 per cent drop in real terms reflecting the slowdown in economic activity.

## Orgad: U.S. wants 'energetic steps' in economic reform

Finance Minister Yigal Cohen-Orgad reported at yesterday's weekly cabinet session on his economic talks in Washington last week.

The minister said that his American interlocutors made it plain that they felt Israel could take more energetic steps towards economic reform.

Cohen-Orgad said that the American side did not sketch out any specific proposals, but rather stressed that Israel had to work out its own approach.

## Seven hurt in Judea shooting New Jewish group: 'We attacked Arab bus'

By ROBERT ROSENBERG  
Jerusalem Post Reporter

A hitherto unknown organization named after Shlomo Ben-Yosef, the first Jew to be hanged by the British in Palestine, yesterday took responsibility for a terror attack that wounded seven passengers on an Arab-owned bus.

Security forces yesterday were seeking an automobile, in which the attackers are thought to have escaped. Other material evidence was found at the scene, including expended shells.

The attack came at 6:30 a.m. yesterday, when a busload of about 60 Arab workers was shot at by "three armed men, carrying sub-machine guns," eye-witnesses said. The bus was travelling on the Ramallah-Jericho road, via Mizrat Sharika. The shooting took place as the bus turned onto the road that goes past the settlement of Kochav Hashahar.

According to the eye-witnesses, the attack came from in front of the bus and was aimed in the direction of the driver.

Police and army troops arrived on the scene soon afterwards. The wounded men — ranging in age from 22 to 63 — were taken to the Ramallah Hospital. The hospital was sealed off to journalists.

Investigators questioned other passengers, and set up roadblocks in a search for the attackers.

A telephone call to a morning newspaper came at about 8:10 a.m., and the anonymous caller said "the Shlomo Ben-Yosef Brigade of TNT has struck in Samaria. Jewish blood is not cheap. This is just the beginning."

Shlomo Ben-Yosef was hanged by

the British in June 1938, after being convicted for an attempted attack on an Arab bus travelling on the Rosh Pina-Safad road in April of the same year. He was the first Jew hanged by the British during the mandate and became a martyr in the Betar pantheon.

Although the telephone caller took responsibility for an attack in Samaria, it is the Judean sub-district police who are responsible for the investigation.

But *The Jerusalem Post* has learned that higher-ranking officers from the Southern District will take over the police side of the case from the sub-district level, and a key investigator will be Rav-Pakad Amram Fahima. Since the aborted sabotage attempt on al-Aksa mosque, earlier this year, he has been the highest ranking officer in what has become known as the Terror Against Terror case. Fahima has been working closely on the case with security forces which will probably bear the brunt of the inquiry into yesterday's events.

Terror Against Terror surfaced in late December when a series of grenade attacks on non-Jewish religious institutions in the Jerusalem area were all claimed by an anonymous telephone caller for the organization, taking revenge for a PLO bombing of an Egged bus earlier that month. Six people died and almost two dozen people were wounded then.

Although the telephone caller yesterday morning did not mention the recent grenade explosions on Jaffa Road, attributed to terrorists, police sources said they believe the bus attack yesterday morning was a similar "act of revenge."

## Police to probe Rishon Lezion body snatching

By YITZHAK OKED  
Jerusalem Post Reporter

RISHON LEZION. — The police have established a special investigating team to determine who was responsible for exhuming the body of Teresa Engelovitz from the cemetery here and disposing of the skeleton inside a nylon bag at the Moslem cemetery in Ramle.

The police are planning to request court permission to open the grave of Teresa Engelovitz to assist their investigation.

Justice Minister Moshe Nissim called the exhumation an act of vandalism, and said that whoever was responsible for such an act is inhuman. He called on the police to track down the culprits so that they can be brought to justice.

A pathologist yesterday confirmed that the skeleton found in the nylon bag was that of Teresa Engelovitz. He also reported that some of the fingers from the body were missing.

The police and Teresa

Engelovitz's husband visited the grave site late Saturday night, but found no signs that the grave had been tampered with. The husband had laid carnations and a candle on the grave last Sunday. The carnations, though wilted, and candle were still there.

The police suspect that the body was removed from the grave some time ago, and kept hidden until it was dumped at the Moslem cemetery in Ramle. Whoever exhumed the body, a police official said, did a professional job.

Early last year, the chief Sephardi rabbi of Rishon Lezion, Rabbi Yosef Azran, had ruled that Engelovitz's remains be removed from the burial site inside the cemetery because it was discovered that her conversion to Judaism had not been according to halacha. However, the body was not moved because the local burial society never obtained the neces-

sary permit from the Health Ministry. Such permits are only granted for hygienic reasons and within a year of burial.

Rabbi Azran said yesterday that while he still holds to his religious ruling, he opposes the unlawful exhumation of the body by what he termed "hot-heads." He said that their action was also against the halacha.

Rabbi Azran added that the general public had misunderstood his religious ruling. He explained that he had not demanded removing her from the Rishon Lezion cemetery, but only to have her buried in another section — no less honourable — and not without the family's agreement.

According to halacha this special site would have to be surrounded by a small wall, about one metre. Engelovitz's daughter, Adina Harpaz, yesterday accused official (Continued on Page 2, Col. 2)

On the thirtieth day after the passing of  
**Rabbi Dr. SOLOMON SCHONFELD** ז"ל  
of London  
A memorial assembly will take place at Yeshivat Dvar Yerushalayim, Jerusalem Academy of Jewish Studies, 24 Rehov Haggai in Geula, Jerusalem, on Tuesday, 2 Adar Bet (March 6), at 8.00 p.m.  
For additional details call: 02-412987

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## The weather at major Swissair destinations

4.3.1984	MIN	MAX	WIND	RAIN
AMSTERDAM	9	32	3	7
BRUSSELS	10	32	4	1
FRANKFURT	11	32	4	1
GENEVA	12	32	4	1
LONDON	13	32	4	1
MILAN	14	32	4	1
MUNICH	15	32	4	1
PARIS	16	32	4	1
ROME	17	32	4	1
STUTTGART	18	32	4	1
ZURICH	19	32	4	1
Basel	20	32	4	1
Berlin	21	32	4	1
Cologne	22	32	4	1
Düsseldorf	23	32	4	1
Hamburg	24	32	4	1
Köln	25	32	4	1
Mannheim	26	32	4	1
Nuremberg	27	32	4	1
Regensburg	28	32	4	1
Salzburg	29	32	4	1
Vienna	30	32	4	1
Worms	31	32	4	1
Frankfurt	32	32	4	1

THE WEATHER			
Forecast: Partly cloudy			
Yesterday's	Yesterday's	Today's	Max
High	Low	High	Low
Jerusalem	15	15	15
Golan	15	15	15
Nahariya	15	15	15
Safed	15	15	15
Haifa Port	15	15	15
Thessalon	15	15	15
Nazareth	15	15	15
Afula	15	15	15
Shimon	15	15	15
Tel Aviv	15	15	15
B-G Airport	15	15	15
Jericho	15	15	15
Gaza	15	15	15
Beer Sheva	15	15	15
Elat	15	15	15

## HOME NEWS

### Panel submits report: Hotel fire was arson; safety rules flouted

**BEERSHEBA (Itim).** — The committee set up by Interior Minister Yosef Burg to investigate the fire at the Dead Sea Moriah Hotel in February, in which two people were killed and seven hurt, yesterday announced that the blaze was a result of arson.

However, the Negev police spokesman said that the special police investigation team headed by Pakad Meir Nagar is still working on the case, and is not convinced, despite the ministry-appointed panel's findings, that the hotel fire was caused by arson.

The panel, headed by former Tel Aviv police commander Moshe Tiomkin, also severely criticized the hotel management for failing to adhere to safety standards.

For 14 years, the committee report said, the hotel ignored requests by fire department officials

to upgrade its safety and evacuation procedures in case of fire. Although the hotel never received a fire department authorization, it was licensed to operate by the local council.

When the fire broke out, the panel determined, safety doors, alarms and sprinklers failed to work, exits were blocked and hotel personnel, untrained in emergency procedures, did not help to evacuate guests.

If it had not been for rescue workers from the nearby Dead Sea Works and IDF rescue teams, the casualty toll would probably have been even higher, the report said.

The report recommended that safety standards be stringently enforced at all the country's hotels. In addition, fire department officials should have veto power in licensing hotels. Hotel workers should also be trained in emergency procedures.

### Cabinet sidesteps Petah Tikva row

**Jerusalem Post Reporter**

Education Minister Zevulun Hammer urged the cabinet yesterday to discuss the Sabbath observance controversy in Petah Tikva brought about by the opening of the cinema there on Friday night.

At the weekly meeting, Hammer said the government should go into the question of legislating a national Sabbath observance law, instead of leaving the issue up to each local authority.

Hammer's NRP colleague, Interior Minister Yosef Burg, gave the education minister some support but everybody else in the cabinet hung back.

Although Hammer wanted the cabinet minutes to spell out that legislation would be studied, he was overruled by the majority, who saw to it that the official communiqué would read: "The justice minister will examine the question from all its various aspects."



Publisher Amos Schocken (wearing glasses) is escorted yesterday by two policemen through a crowd of unionized printers and journalists, who gathered to protest against the debut of Schocken's new daily, Hadashot, which employs non-union workers. (Ippa)

### Gov't creates panel to fight emigration

**By JUDY SIEGEL**

**Jerusalem Post Reporter**

The cabinet, in a rare two-and-a-half hour discussion of emigration, yesterday decided to establish a committee of government directors-general to fight *yerida*.

Establishment of the committee was recommended by Deputy Minister Dov Shilansky, the government member charged with preventing emigration who was appointed by former premier Menachem Begin in 1981. Shilansky wanted the committee to give him executive power that he has lacked until now.

Shilansky was named to head the committee, which will consist of the directors-general of the Ministries of Labour, Housing, Immigrant Absorption, Defence, Industry, Interior, Education, Religious Affairs, and Science, as well as the directors of the Employment Service, National Insurance Institute, Broadcasting Authority, Council on Higher Education, the Treasury's budget branch and the coordinator of anti-emigration activities in Shilansky's office.

The only minister to oppose the decision was Tourism Minister Avraham Shari, who had called for including "men of letters" on the committee as well.

Establishment of the committee is regarded as a victory for Shilansky, who has long been frustrated over efforts by various ministries to stymie his proposals, including the granting of special benefits to demobilized soldiers and the cancellation of benefits to returning emigrants. He also feared attempts by Absorption Ministry officials to take control of anti-emigration efforts.

It was the first time that the cabinet had devoted more than a casual discussion to emigration.

### Copter bypasses tabloid's pickets

**Jerusalem Post Reporter**

**TEL AVIV.** — The new tabloid newspaper *Hadashot* hit the newsstands yesterday but only after a chartered helicopter airlifted editions out of Holon where angry journalists and printers surrounded the iron-fenced printing plant.

The paper, published by the Schocken family, which owns *Ha'aretz*, won considerable publicity because of the sharp controversy with the journalists and printers unions over management's refusal to join the collective labour agreements.

Meanwhile, the National Federation of Israeli Journalists and the Association of Journalists in Tel Aviv, announced they were expelling the following journalists employed by *Hadashot*: Dan Almagor, Roni Daniel, Menahem Horowitz, Pinhas Zahavi, Ilan Kfir, Emil Rotman and Avi Ratzon.

Some of them have requested a meeting with the Federation and the association, and the meeting will take place this afternoon in Beit Sokolov.

Two journalists from Kol Yisrael, Shalom Kital and Gabi Gazit have told *Hadashot* that they will not be joining its staff because of the stand taken by the National Federation of Journalists.

Outside the building housing *Hadashot's* printing presses, demonstrators shouted: "No, no, we will not permit this," as the helicopter began the first of five trips taking the newspaper out for distribution.

Some protesters tried to break into the compound and two grills of the iron fence were broken. One man got into the yard and was caught by hefty guards.

Helmeted border policemen armed with wooden truncheons were also called in. Two demonstrators were lightly injured — one of them suffered a bloodied nose. One of the protesters was put in handcuffs but police released him. Ayalon District police Deputy Commander Reuven Weinstein told *The Jerusalem Post* later that no one was arrested. He maintained there was no violence just "pushings."

The 100 demonstrators dispersed quietly after the yellow and silver helicopter made its fourth round. It later returned for a fifth.

*Hadashot's* managing director Ronnie Aran told *The Post* some 90,000 copies were printed.

The papers were grabbed from the stalls. "In 10 minutes I sold 100 copies," a Jerusalem vendor said. An Army Radio reporter said he had tried to buy a paper in one stall and was told all were sold but that another shipment would be delivered. The reporter returned 20 minutes later and was told the second batch had sold in five minutes.

Aran said *Hadashot* will today seek to print 100,000 copies. Meanwhile, the Federation of Journalists and the Histadrut printers union kept up their pressure on *Hadashot* to join the collective wage agreements. A statement issued yesterday pledged to continue "every effort" to prevent publication of a paper not based on "organized work."

Yesterday's statement criticised Schocken for hiring "hoodlums" to fight the journalists and pressworkers to break the collective wage agreement system. "This will not deter the journalists and pressworkers and their unions," the statement added.

Meanwhile, the Histadrut Central Committee authorized the trade union department to demand the publishers join the collective wage agreement with the printers. The Histadrut Union of Journalists in the public service sector joined the fight too. It asked its members — spokesmen and public relations officials — "not to cooperate with bodies or individuals who lend a hand to harming the basic principle of professional association."

Inside *Hadashot's* staff member told *The Post*: "People are too happy to think about the disadvantages of not being unionized. I guess we'll get organized — eventually."

In the Tel Aviv District Court *Hadashot's* reporter Moshe Lichtman, 35, was accused of trying to extort information from police officers in January while preparing a report for a dummy run of the newspaper. He pleaded not guilty.

### Labour Party told to stop in-fighting over Levinson

**By JOSHUA BRILLIANT**

**Jerusalem Post Reporter**

**TEL AVIV.** — Labour council secretaries' meeting here yesterday called on the Labour Party to stop fighting over the Levinson affair and not to meddle in the Histadrut's business.

In doing so, the officials headed by Histadrut organization department head Gideon Ben-Yisrael appeared to rally behind Secretary-General Yeroham Meshel.

The secretaries maintained that the February 23 suicide of Bank Hapoalim's former boss Ya'acov Levinson, who in a letter he left before shooting himself charged that senior bank and Histadrut officials were trying to frame him, should not be turned into a subject for party infighting.

They opposed the demand of central committee member Nahum Fassa, who had been a friend of Levinson, to set up a committee to investigate the Histadrut's handling of the affair. (There had been criticism of Meshel for pressing the bank to turn the matter over to Attorney-General Yitzhak Zamir,

who subsequently forwarded documents concerning alleged irregularities by Levinson to the police. Levinson committed suicide several hours after the media reported the material was given to the police.)

Fassa's demand for an inquiry committee is to be discussed tomorrow at a Central Committee meeting specially convened to consider the affair.

The secretaries also opposed demands made by some Labour Party MKs to increase control over the labour federation.

"People who hardly had any connection with the Histadrut are trying to dictate to the Histadrut what to do," Zeev Helfer, the secretary of the Kfar Sava Labour Council, complained.

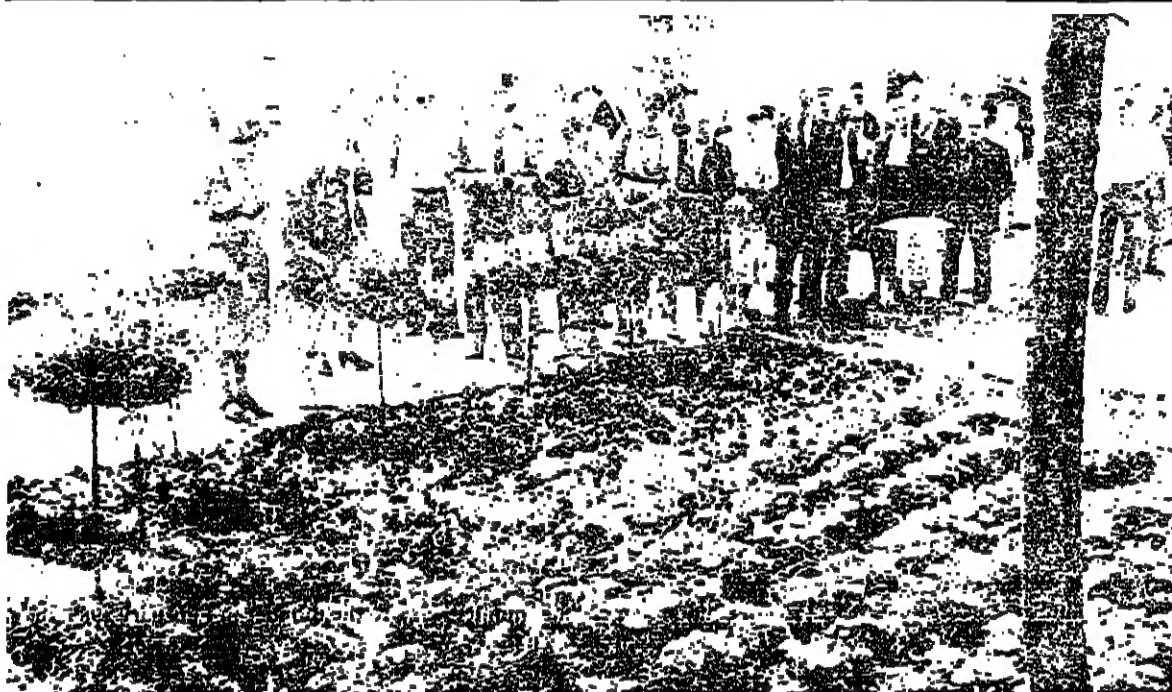
"We don't meddle with the Alignment faction's activities in the Knesset — so they should not intervene in what happens in the Histadrut," Ezra Plik, the Carmiel labour council chairman said.

Ben-Yisrael concluded: "We must stand up to any attempt to limit the Histadrut's independence."

### Five remanded in Jaffa slaying

**TEL AVIV (Itim).** — Five suspects in last Thursday night's murder of Jaffa flea market merchant Victor Ben-David were remanded by the Tel Aviv Magistrates Court yesterday. Ben-David, 48, was shot to death at the entrance to his store.

The five are Daniel Green of Bat Yam, owner of the store next to Ben-David's; Moshe Masika, the brother of Ben-David's ex-wife; Gideon Rafael of Kfar Shalem; Yigal Ben-Porat, 26; and Yosef Netzer, 28, of Tel Aviv.



Delegates of the Netherlands-Israel Committee yesterday visit some of the 100,000 flower bulbs they sent to Jerusalem from Holland this year, planted in the grounds of Beit Hanassi. They had earlier been received by President Chaim Herzog together with Mayor Kollek. (Rahamim Ibraim)

### Moroccan olim plan convention

**By LEA LEVAVI**

**Jerusalem Post Reporter**

**TEL AVIV.** — Mayors and local council chairmen of Moroccan origin are to seek permission from the Interior Ministry to support cultural events by local chapters of the Association of Immigrants of Moroccan Origin.

At a press conference yesterday, Ya'acov Rorillo, treasurer of the association, complained that the ministry does not let local authorities budget money for these cultural activities because "they say the local authority can support local voluntary associations, but our chapters belong to a national organization."

Yesterday's press conference was called to preview the association's third convention, to be held here on March 27 and 28. The opening at Mann Auditorium will include greetings by President Chaim Herzog and Histadrut Secretary-General Yeroham Meshel.

In the past, delegates were elected in each chapter before a convention. This time, it was decided to invite Moroccan Jews who hold elective office (from Deputy Prime Minister David Levy to members of local councils, religious councils or labour councils) to serve as delegates. They will comprise 40 per cent of the 500 delegates.

The remainder will be representatives of different sectors such as professors, students or housewives. David Moyal, chairman of the association, said a committee chose these representatives "on the basis of various criteria" which he did not explain.

### Supreme Court restores 'battered child' to parents

A girl nearly three years old has been returned to her parents by the Social Affairs Ministry after the Supreme Court rejected an appeal by the attorney-general to keep her removed from her parents' custody and place her for adoption. The request was based on the grounds that her parents had beaten her cruelly and might even kill her if she was returned to their care. The lower court had rejected the attorney-general's application.

The girl's return last week ended a long and bitter legal struggle which began about two-and-a-half years ago when the ministry took her away from her parents, claiming it sought to protect and rehabilitate her.

The affair began when the parents brought their daughter, who was then four months old, to a Jerusalem hospital to treat lesions on her face and legs. In the medical report on the girl, the examining doctor noted that she was a battered child. During the next three months the girl was hospitalized again for additional injuries, among them a leg fracture and nose wounds which doctors believed had been caused by a piliers.

Subsequently she was transferred to a children's home and then handed over to foster parents. She was returned later to the welfare authorities, who had custody of her until last week.

In their decision, Supreme Court President Meir Shamgar and Justices Menahem Alon and Moshe Beisky stated that they were not convinced that the lesions found on the girl's body had been caused solely by her parents' violence. They said they could also have resulted from her difficult living conditions and inexperienced parental care.

The court acknowledged that the parents may indeed have injured the girl once or twice. However, it said, if those were only isolated incidents and not part of continual mistreatment, "they did not justify the far-reaching act of permanently separating the girl from her parents." (Itim)

### Unlicensed teachers to be dismissed

**Jerusalem Post Reporter**

Several hundred teachers who lack certificates, most teaching elementary school in development areas and in areas distant from the country's centre, are to be dismissed at the end of this school year, an Education Ministry spokesman said yesterday.

The teachers were employed in the past few years to fill vacancies

that graduate teachers were unwilling to accept. The dismissals are said to be aimed at raising the standard of education in development areas.

The spokesman said the ministry hopes to fill these jobs with qualified teachers, and only if it is unable to do so will it consider rehiring some of the dismissed teachers.

### Hapoel Tel Aviv edges Hapoel R-G by 81-79

**Post Sports Reporter**

Hapoel Tel Aviv last night took an important step towards the final of the National Basketball League playoffs by scoring an unexpected 81-79 victory over Hapoel Ramat Gan at Yad Eliyahu Stadium.

The two clubs are to meet again next week for the second game in their best-of-three semifinal series.

Maccabi Tel Aviv are to meet Hapoel Haifa in the first of their semifinal games at Yad Eliyahu tonight.

To  
MR. JACK PADWA

Deepest sympathy on the  
death of your wife

**SHULAMITH PADWA**

The Anti-defamation League  
of B'Nai B'rith

Tel Aviv University  
Sackler School of Medicine

Reveres the memory of

**PAULA POPEREKA**

who passed away on 20 Adar Aleph (February 23, 1984).  
Her body was bequeathed to science.

We mourn the untimely death of our dear friend

**WILLIE TILLOW**

Adah and Ben Lappin  
Lillian and Jerry Reichstein

Chana Schneiderman  
Libby and Danny Avivi

To Seth Tillow

We feel deeply for you on the untimely passing of your

**Father**

Management and Staff  
Sheraton Hotels in Israel

The Officers and Members of  
Keshet Israel Congregation,  
The Georgetown Synagogue, Washington D.C.

Mourn the tragic death of our Rabbi and spiritual leader

**Rabbi PHILIP L. RABINOWITZ**

who died February 28, 1984.

During his 34 years as our Rabbi  
he demonstrated unequalled compassion and sincerity  
to everyone he knew or met.  
He will always be remembered as  
a learned scholar and a patient teacher.

We extend our deepest sympathies to his children, Mrs. Miriam  
Goodnick of Chicago, and Dr. Asher Don Rabinowitz of Teaneck,  
New Jersey, and his brother Israel Rabinowitz.

We mourn the death of our dear cousin and aunt

**NINA ZUCKERMAN**

and are all with Nomi.

Families:  
Avrumin  
Lazeroff  
Schaver

Shamir  
Tennenbaum  
Wilensky

On the 30th day after the passing of

**RONNY BAUMANN**

we will meet at the Holon Cemetery  
on Thursday, March 8, 1984 at 4.00 p.m.  
at the old (Southern) entrance.

Our heartfelt thanks to all who shared our grief.

Oded and Yoram Baumann

To the Chairman of the Board of Directors

Mr. Ernest I. Japhet and Family

Deepest condolences on the death in old age  
of your mother

**ELIZABETH JAPHET**

née Feuchtwanger

National Brewery Ltd.  
Members of the Board of  
Directors and Management





Staff at Haifa's Rothschild Hospital attend a general meeting yesterday and decide to close the hospital's emergency ward. (Israel Sun)

## Zim ordered to give staff 56% pay rise

By YAA'ACOV FRIEDLER  
Jerusalem Post Reporter

HAIFA. — The Zim shipping company was ordered by the National Labour Court on Friday to grant a 56 per cent pay rise to its 1,000-member office staff (about 18,142 million), plus a 1 per cent per month increase to give parity with a pay rise granted to 22 senior executives in 1979.

A jubilant Uri Zuckerman, chairman of the works committee, threw a lifeline to the company, which is struggling for survival in the face of a continuing shipping slump.

He said that in view of Zim's financial straits, he was sure the staff would waive the rise if the seniors would do likewise to set an example. This was the only way to save Zim from potential ruin, he said.

The Zim spokesman told *The Jerusalem Post* that the management would review the issue and explore ways to avoid the payment.

The *Post* learned that management fears that its 1983 balance sheet, now being completed, may show losses for the first time in 14 years. If Zim is forced to pay the \$300,000 increase, red ink is assured.

In October 1979, management granted a generous "grade adjustment" rise to its 22 senior executives, but rejected an immediate works committee demand for parity for the entire staff.

The Zim spokesman said the committee had first agreed to the rise for the seniors and had demanded parity afterwards.

At the time the lower grades had also received an increase and subsequently management had suggested a settlement more favourable than the court eventually granted, which the committee rejected, the Zim spokesman said.

But the committee, denying this version, sued unsuccessfully for parity in the Haifa Labour Court. It then filed a test case appeal with the National Labour Court, through two of its employees, demanding a 1 per cent per month rise retroactive from October 1979.

After protracted litigation, the three-man appeal tribunal ruled in favour of the staff, granting them a 56 per cent increase on their January salaries plus a 1 per cent monthly rise for the future.

Zuckerman told *The Post* they were gratified that justice had been done and that the court rejected management's claim that they had agreed to the seniors' rise.

## Emergency ward closed at Rothschild

Jerusalem Post Reporter

HAIFA. — The emergency ward of the Rothschild Hospital here is to be closed from today for an indefinite period.

The decision was taken at a mass meeting of the staff yesterday to protest against the Health Ministry's refusal to continue funding the hospital's partially completed west wing project.

The staff also declared a labour dispute and warned of further action, including a strike, unless the ministry rescinds its decision.

Dr. Yitzhak Horowitz, doctors' committee chairman, told *The Jerusalem Post*: "We are being forced to take action that we refrained from taking throughout the doctors' strike. That's an indication of bitterness and sense of betrayal that the staff feel."

He said only "life or death" cases would be admitted to the emergency ward and the remainder would be referred to other hospitals. Patients already in the hospital would not be affected for the time being.

The ministry was expected to allocate \$1.5 million in next year's budget towards the west wing project. The 11-storey structure has been completed, but its upper floors are not furnished or equipped.

Meanwhile, staff at the Rambam Hospital are to close its emergency wards tomorrow in a one-day action to support demands for additional personnel. This will mean that only the emergency ward at the Kupat Holim's Carmel Hospital will be left to serve the city and the surrounding areas.

A highly-placed source at the Health Ministry in Jerusalem said yesterday it had been decided that, due to budget cuts, additional funding would only be given to government hospitals in such peripheral areas as Nahariya and Ashkelon.

The source also said that Rothschild Hospital had undertaken to obtain financing for half the cost of its west wing from donors. When the hospital failed to produce its share of the funding, the ministry decided to freeze the project.

The source said it would require \$8m. to complete the first stage of the west wing project, adding that work could resume as soon as the hospital has the matching funds.

## Acre police ask: Who'll burn our hash?

ACRE (Itim). — Police here are having a hard time trying to destroy quantities of hashish seized in smuggling attempts at the Lebanese border, after local factories refused to let their furnaces be used for the purpose.

In the past, steel and cement factories let their furnaces be used to burn smaller quantities of hashish. But the larger quantities confiscated lately could damage the furnaces, it was reported.

According to Shemtov, Shingloff sold one of the fragmentation grenades to Avrusim for \$900. Shemtov's lawyer argued that his client suffers many psychological problems, including an inability to adapt to army life. He had suffered a breakdown following the deaths of two of his friends in action in Lebanon, the attorney said.

Shemtov, 20, was convicted on the basis of his own confession of stealing eight fragmentation grenades, two smoke grenades, a box of ammunition and two anti-tank grenades from an Israel Defence Forces base in the Golan Heights.

He admitted selling one of the fragmentation grenades to Amos Shingloff, who then allegedly sold it to Avrusim.

Shingloff, a key prosecution witness against Avrusim, is being held in protective custody. Questioned as to his motives for stealing the grenades, Shemtov told

Judge Miriam Naor criticized investigators for the sparse evidence they had brought to the remand hearing.

She also forbade publication of the suspect's name.

The suspect's lawyer, Lea Tsemel, complained that he was kept handcuffed, squatting on the floor of his cell, his head covered by a bag.

Judge Naor asked the Jerusalem district police chief to examine the complaint. (Itim)

## Burg's bid to form 'new party' shakes NRP

By SARAH HONIG  
Post Political Reporter

TEL AVIV. — The strife-torn National Religious Party was shaken again yesterday, when it became known that the Lamifne faction, headed by Interior Minister Yosef Burg, is seeking to set up a new NRP with the help of Tehiya MK Hanan Porat and Matzad MK Haim Druckman.

All sides stressed that such contacts are merely preliminary, and Porat has vowed to return his mandate to Tehiya and resign from the Knesset should he decide to switch political allegiances.

Lamifne's rival faction, headed by Education Minister Zevulun Hammer, had not been informed of the plan for the "new party." The entire episode, say NRP insiders, might serve to speed up processes already working to split the party.

Sources in all NRP factions admit that the courtship of Porat, Druckman and other former NRP members, including the breakaway Tami Party, are all maneuvers in the internal battle between the two large factions for control of the party. If Lamifne succeeds in returning defectors to the party, this might force Hammer and his followers to break away from the NRP and set up their own version of a "new NRP."

Porat said he is not considering returning to the NRP, but might join an effort to rebuild the national-religious movement, with a change of emphasis and an entirely new leadership. This, he said, would attract many more of the religious voters in the party to a nationalist

banner, which would sponsor a policy similar to that of Tehiya.

"I am tormented by the crisis in the national-religious movement and am definitely not in any way dissatisfied with Tehiya," Porat said.

"Its foundations and the partnership it initiated between religious and secular members is as sound as ever. If I will indeed decide eventually that I can help rehabilitate the religious movement and that we can set up a new NRP, I will draw the necessary conclusions and return my mandate to Tehiya," said Porat.

But things may not be so simple for him. He is the representative of the Gush Emunim component in Tehiya, and even if he should return his mandate to the party, the next line on the Tehiya slate of Knesset candidates is Zvi Shiloah of the secular segment of the party. This would leave the Gush without any representation in the Tehiya Knesset faction.

The Gush is now expected to exert considerable pressure on Porat not to continue with his contacts with the NRP. So far, he appears to be the only one of the Gush leaders to be entertaining notions of leaving Tehiya. His move was condemned by Tehiya political secretary Gershon Shafat and by its mentor, Rabbi Ariele Waldman.

The latter branded Porat's contacts with Lamifne "irresponsible and the result of weakness. We would prefer if he remains with us, but even if he does not, we will not follow him and will not leave Tehiya. We are for cooperation between those who are observant

and those who call themselves secular. We do not believe in shutting ourselves up in a narrow religious sect," said Waldman.

The Gush is expected to hold meetings and rallies to pressure Porat back into line. Tehiya leader Science Minister Yuval Ne'eman said the Porat move is not likely to hurt Tehiya's electoral prospects, "since we did not get so many religious votes. Many of those went directly to the Likud and not to Tehiya. We did get votes in the new settlements, but these are not voters who are swayed by leaders, but who make up their own mind."

Tehiya MK Geula Cohen said Porat only informed Tehiya of his contacts with Lamifne at the end of last week.

In Lamifne there was general embarrassment over the leak of overtures to Porat and the equally hawkish Druckman. Burg called it an "attempt to foil the move."

Faction strongman Rafael Ben-Natan said the move is only at a "very preliminary stage. There is a chance for a deal, but we are still far from it."

He denied that any details have been worked out for setting up a new party with an entirely new leadership. This would apparently not include Burg, who is reportedly ready to retire.

But such a plan would also mean that his rival, Hammer, would be barred from the leadership. Hammer, who had not even been consulted, is not likely to agree.

All Ben-Natan would say is that there is a need for "some rotation in Knesset representation, and those who had been in office for long

should perhaps be required to get more votes in the party convention if they are to represent us in the Knesset again."

He also rejects the notion that a party which can attract Druckman and Porat away from their new hawkish parties must be quite hawkish itself. The new NRP, as he envisions it, would continue to represent different views and concentrate on spiritual and social issues.

Such a formula is hardly likely to woo Porat and Druckman away from their present political homes, it is thought in the NRP, whose members doubt that Lamifne is really offering a thorough change in the party.

Moreover, unless there really is a new party, with a new slate of Knesset candidates, it is hardly likely that Porat and Druckman would team up with such doves as MK Avraham Melamed, Ben-Natan and former MK David Glass, who is also reported to be seeking alliance with Lamifne.

Tami, whose leaders hail mostly from the NRP, announced officially yesterday that it would not consider a deal with Burg's Lamifne. Tami is considered more likely to team up with the Hammer faction.

Porat, it is felt in both the NRP and Tehiya, has always been "a political moralist and agonizer and has always felt guilty and uneasy about having bolted the NRP."

Hammer faction sources asked yesterday, "What sort of a rehabilitation is contemplated here, which seeks to leave an entire faction out?"

## Tel Aviv's firstborn dies

TEL AVIV. — Ahasabeth Weiss, the first child to be born in Tel Aviv, was yesterday laid to rest in the old cemetery in Rehov Trumpeldor beside her parents, the graves of Rabbi Akiva Arye Weiss, a founding father of Tel Aviv, and his wife.

Ahasabeth Weiss, who suffered a stroke two weeks ago, was 74.

Her unusual first name was a compromise between "Ahuzat Bait," the name her father wanted her to be called in honour of the housing association which es-

tablished Tel Aviv, and a "normal" name that her mother wanted.

"Ahasabeth," which sounded somewhat like "Elisabeth," satisfied the mother. But everybody called the child "Ahuza."

She chose painting as her profession and until her retirement taught drawing in Tel Aviv schools. She never married.

Shraga Kantor, of the Tel Aviv municipality, laid a wreath on her grave in the name of Mayor Shlomo Lahat. Some 200 persons, mainly old-timers of Tel Aviv, were present at the funeral.

## 1983 sets record in supply of private cars

Jerusalem Post Staff

A record number of new cars was supplied to the country last year, the Central Bureau of Statistics announced yesterday. The nearly 87,000 private cars sold represent an increase of 24 per cent over the 70,000 sold in 1982 and a 47 per cent

increase over 1981.

The figures include the local market plus Judea, Samaria and Gaza. A bureau spokesman said the figures do not necessarily represent the actual number of cars bought by consumers, since they include dealers' inventories.

## Burg asks mayors to take 10% pay cut

By AARON SITNER  
Jerusalem Post Reporter

All mayors and their deputies have been asked to take a 10 per cent cut in their salaries, the Interior Ministry has announced.

In an order retroactive to January 1, Interior Minister Yosef Burg prescribes the following monthly salary schedule (not including expense accounts):

Class A communities (200,000 population and over): mayor, IS90,056 and deputy, IS71,144; class B (50,001 to 200,000 population): mayor, IS80,600 and deputy, IS61,688; class C (20,001 to 50,000): mayor, IS72,232 and deputy, IS52,232; class D (8,001 to 20,000): mayor, IS61,688 and deputy, IS42,544; and class E (population under 8,000): mayor, IS52,232 and deputy, IS32,726.

These amounts do not include the customary cost-of-living increments, upon which the municipal leaders are also asked to yield 10 per cent.

Ministry Director-General Haim Kubersky has also reminded the mayors that all municipal services not funded by the Ministries of Education and Culture and Labour and Social Affairs must be cut back by 10 per cent if state funding is to continue to local authorities unhindered.

Kubersky wrote the mayors: "The faster you accomplish the reduction in municipal services, the better, in order to avoid seeing your city's or town's coffers empty before the year is up. I also wish to remind you that in addition to the 10 per cent cutback in municipal services you are required to reduce municipal manpower staffs by at least 5 per cent in the coming year."

TOURISTS. — About 61,700 tourists arrived last month, similar to the number in February 1983, the Central Bureau of Statistics announced yesterday.

## Unsold citrus glut in Europe stalls local Valencia harvest

By YITZHAK OKED  
Jerusalem Post Reporter

TEL AVIV. — Due to dumping by Spanish and Moroccan competitors, the Citrus Marketing Board has over 4 million unsold crates of citrus fruit in Europe. It is thus trying to put off for a week or two the start of the harvest of Valencia oranges, which have ripened earlier than normal because of the dry, warm weather.

Officials at the CMB have refused to comment, but officials of various farming organizations say that the farmers are watching the situation carefully.

The farmers are also planning to start a campaign soon to demand the government pay them money promised them a year ago. They are also to demand compensation for the delay in payment.

According to these farming sources, the main reason that the CMB is stuck with so much unsold stock in Europe is that the Spanish and Moroccan producers are undercutting the market, selling their produce at extremely low prices, Israel cannot lower its prices to

meet its competitors, because of high local overhead costs and the expense of shipping the fruit to Europe. The low value of European currencies in relation to the dollar also benefits Israel's competitors.

The sources estimate that if the government does not take any immediate measures, the number of citrus orchards that will have to be chopped down this year will double to 60,000 dunams or more from last year's 30,000.

The situation is becoming acute, because this year's scanty rainfall means the farmers will have less water for their crops this summer. This might force them to decide to chop down more citrus trees, so they can use the available water for more profitable crops.

Amos Hadar, one of the two secretaries of the Histadrut-affiliated Moshav Movement (Tnuat Hamoshavim), last week called on Agriculture Minister Pessah Grupper to resign if he cannot help the farmers. Grupper is scheduled to meet with Hadar today to look for ways to help relieve the present situation.

## Judge hits MK for interfering in trial

TEL AVIV (Itim). — A District Court judge here has criticized a Knesset member for interfering in the trial of a man whom the judge found guilty of extortion and threats and described as a "wild hoodlum."

Judge David Wallach sent Daniel Buzaglo, 35, to jail for 15 months and fined him \$60,000. During the trial, the court received a letter on Knesset stationery from MK Dov

Ben-Meir (Labour) stating that Buzaglo, who once worked as Ben-Meir's aide, was "quiet and cultured."

Wallach said that it would have been better if Ben-Meir "had not written this letter."

Buzaglo was found guilty of threatening and beating a Tel Aviv merchant with whom he had a financial dispute in 1982.

## Linked to Grunzweig killing

## Shemtov—6 years for grenade theft

BERSHEBA (Itim). — The Southern District Military Court yesterday convicted David Shemtov of Jerusalem of stealing eight grenades from his army base, one of which was eventually sold to Yona Avrusim, the man accused of using a grenade to kill Peace Now activist Eyal Grunzweig last year.

Shemtov was sentenced to six years in prison.

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## Judge raps evidence in security case

A magistrate's court judge in Jerusalem last week extended the arrest of a suspect in a security case, but said that she would free the man if, at the next hearing, investigators did not present full evidence against him.

Judge Miriam Naor criticized investigators for the sparse evidence they had brought to the remand hearing.

She also forbade publication of the suspect's name.

The suspect's lawyer, Lea Tsemel, complained that he was kept handcuffed, squatting on the floor of his cell, his head covered by a bag.

Judge Naor asked the Jerusalem district police chief to examine the complaint. (Itim)

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One of the most exciting additions to the collection of glamorous shops in the Cardo of the Old City of Jerusalem is the new branch of DANAYA leather goods. Famous for fifteen years for high fashion, superb quality leather garments, sheepskin and fur, DANAYA has introduced a unique new feature. It is now possible to order custom made leather garments for every size, specification and taste and have them ready within 48 hours. As for our prices, we have a range to suit every pocket. Too good to be true? Be sure to visit us when you're next in the Cardo and see for yourself. DANAYA, Duty Free Shops — also at Mercat Sapir, Givat Shaul, J'lem (factory) 02-520251, Tel Aviv, Allenby 60 (2nd floor) 03-520251. DANAYA.

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### AGENT 86 REPORTING...

Operation Zionsours III is under way. At this very moment, a contingent of Israeli theatre fans is at the airport, preparing to board. Destination: London. Mission: to obtain maximum enjoyment from 6 great shows. Password: London Theatre Tour. Condition: Sold Out. Report from London: The stage is set (literally!) for another 10 days of terrific drama. Comments: Book NOW for April 22-May 1 theatre tour — 6 major shows including "Cats" and "Shakespeare". Contact: ZION-TOURS JERUSALEM, 23 Hillel St., Jerusalem. Tel. 02-233267/8. End of communiqué...



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### NOTICE

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## WORLD NEWS

### Chemical weapon burns suspected on Iranians

STOCKHOLM. — Iranian soldiers have been flown here and to Vienna from Gulf war battlefields for emergency treatment suffering from the apparent effects of chemical weapons. Iran frequently accused Iraq of using such weapons during their almost 3½ years of warfare.

Assistant Prof. Bengt Koerlof at the Stockholm Karolinska burns unit, where three of five Iranians who arrived Saturday underwent medical treatment, said yesterday he "would not rule out" the possibility that the wounds were caused by chemical weapons.

Koerlof said that the three Iranians, all of them in their twenties, had 70, 50 and 25 per cent burns respectively but that their condition was satisfactory considering the circumstances. He said they probably received their wounds eight days ago.

But a sparsely worded medical bulletin issued Saturday said that it was too early to say how the patients would respond to treatment. A spokeswoman of the Karolinska Hospital said yesterday that the condition of none of the young Iranians had changed dramatically overnight. "Their condition is unchanged," she said.

Two of the wounded Iranians were taken to the University Clinic in Uppsala. A spokesman for the clinic at the Akademiska Hospital there said that they are suffering from "medium" burns.

Austrian television Saturday night showed film of 10 wounded Iranian soldiers flown to Vienna, who it said were suffering from the effects of poison gas.

The film, shown Saturday, pictured the men suffering from severe surface wounds on the skin and around the eyes and nose.

The television said it appeared "without doubt" that the injuries were caused by poison gas. But it gave no authoritative source for its statement.

Meanwhile, Britain yesterday denied sending Iraq chemical weapons and a Foreign Office spokesman said Britain was neutral in the Gulf War.

Teheran Radio said Saturday night Britain had sent Iraq planes, tanks and weapons worth billions of dollars since the war began in September, 1980, and was sending chemical weapons. (AP, Reuters)

### 24 more East Germans seek asylum in Prague

HAMBURG (AP). — The West German Embassy in Czechoslovakia is harbouring 24 asylum-seeking East Germans, who were apparently inspired by the example set by relatives of East Germany's premier, a West German tabloid reported yesterday.

The mass-circulation *Bild am Sonntag* said the 24 sought refuge in the Prague mission after Premier Willi Stoph's niece, Ingrid Berg, and her family, entered the embassy February 25 and refused to leave unless granted safe passage to West Germany.

The unattributed report also said several asylum-seekers had appealed to western legations in other Soviet bloc countries for help in emigrating. But it did not say whether any took refuge inside the missions.

Following secret negotiations between the two Germanys, the five Bergs left the embassy last Thursday after apparently being promised they could eventually emigrate. *Bild am Sonntag* said they are back in East Germany awaiting exit permits.

*Bild* did not say when the embassy took in the other 24 asylum-seekers, or whether negotiations for their emigration are under way between Bonn and East Berlin.

Bonn government offices were closed yesterday and no one could be reached for comment.

### Swedes spot diver at scene of suspected foreign sub

STOCKHOLM (Reuters). — Swedish troops hunting a foreign submarine near a top-secret naval base opened fire Saturday night on a suspected diver trying to escape to the open sea, a military spokesman said.

Soldiers and police were yesterday still searching an island on the edge of the Karlskrona archipelago for traces of the man.

This appeared to confirm the theory that the Swedish forces are determined to capture rather than destroy the intruder.

Navy helicopters dropped several explosives, smaller than depth charges, into the waters of the archipelago just east of the island as troops using flares and police dogs started a land search, he said.

The shooting occurred late Saturday night on the island of Almoe at almost exactly the same spot where troops fired at a frogman last Wednesday night.

The Swedish military, who have been searching the shallow waters of the archipelago for the last three weeks, are convinced a foreign vessel, probably a mini-submarine, is trapped in the area.

In 1981 a Soviet Whisky-class submarine ran aground off the Karlskrona naval base. Moscow blamed a navigational error for the incident.

Early Saturday, the Swedish military reported a second submarine lurking in the open sea just outside the archipelago and dropped depth charges to warn it off.

### 'Shoot to kill' ordered in 3 Punjab areas

NEW DELHI (AP). — The Punjab state government declared three districts "disturbed areas" yesterday, giving police extraordinary powers to crack down on Sikh terrorism.

Police and paramilitary troops in Amritsar, Gurdaspur and Kapurthala districts were empowered to "shoot to kill" and make searches and arrests without warrants.

The government said it invoked the armed forces special powers act because of increased activity by "elements who were disturbing communal peace and public order."

Sikh extremists are blamed for more than 70 killings in Punjab since mid-February in their campaign for greater religious and political autonomy in the Sikh-majority state. Sikhs form less than 2 per cent of the national population.

The federal government of Prime Minister Indira Gandhi declared the entire state and the adjacent territory of Chandigarh as disturbed areas in October. She dismissed the state administration and imposed direct federal rule.

While federal rule remains in effect, the special police powers expired after three months. Under yesterday's orders, police officers above the rank of sub-inspector can "shoot to kill" any lawbreakers. Security forces do not need warrants to arrest suspected terrorists or search premises thought to "wrongfully" contain any person or stolen property, arms and ammunition.

Without specifically naming the Golden Temple, seat of the Sikh religion in Amritsar, the government said religious shrines were being used as sanctuaries for criminals. It is believed to be considering a police raid on the temple to clean out criminals and arms stockpiles.

Sikh militants, who are heavily armed in the temple complex, have vowed to resist.

### Tamil rebels kill six in Sri Lanka

NEW DELHI (AP). — Tamil separatist guerrillas in Sri Lanka killed six people, tied the bodies to telephone posts and left behind leaflets explaining the victims' "crimes," the United News of India reported Saturday night.

The six bodies were found in the past three days in the island nation's northern Jaffna district, UNI reported from the capital, Colombo.

Five of the victims had been shot while the sixth was beheaded, the report said.

Leaflets left near the bodies by the Tamil Liberation Tigers said the victims were "anti-social elements" who were being punished for "misusing" the extremist group's name for personal benefit, UNI said.

In some cases, placards were hung around the victims' necks, it said.

The report did not attribute any of the information, which could not be independently verified.

### UK Labour overtakes Tories in opinion poll

LONDON (AP). — Britain's main opposition Labour Party has taken a 3 per cent lead over Prime Minister Margaret Thatcher's ruling Conservatives for the first time since the Falkland Islands war in 1982, according to an opinion poll in *The Sunday Times*.

The poll of 1,000 voters last Friday after Labour won a by-election in the mining town of Chesterfield showed 41 per cent support Labour and 38 per cent for the Conservatives. The centrist Liberal-Social Democrat Alliance has 18 per cent, with others 3 per cent.

In last June's general election, in which the Conservatives were returned to power by a big majority for a second four-year term, they had 43.5 per cent of the vote. Labour trailed badly with 28.6 per cent. The Alliance took 26 per cent and others 2 per cent.

### 'Long march' hits Manila elections

MALOS, Philippines (AP). — Marching in the heat with raised fists, thousands of protesters from north and south of Manila moved to within 32 kilometres of the capital yesterday in a "long march" supporting a boycott of the May parliamentary elections.

On the road for four days, the two columns of marchers, many with packs on their backs and some carrying anti-U.S. streamers, plan to arrive in Manila at the same time on Wednesday for a joint protest rally near the U.S. Embassy.

"Election '84 — boycott," chanted the 6,000 marchers making up the northern column when they arrived in this farming town yesterday afternoon after hiking 10 km. from Pampanga province. Several hundred Malolos residents lined the streets to cheer the protesters.

Meanwhile thousands poured out into the streets to give the 2,000 marchers comprising the southern column a similar welcome when they entered Binan town at sundown after a 19-km. trek from Calamba town.

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## Sports

### Perkis jumps 200 in ratings

By JACK LEON  
Post Sports Reporter

TEL AVIV. — Israel's No. 2 tennis player Shahar Perkis has climbed to about 240th place in the Association of Tennis Professionals world singles rankings, thanks to some useful performances on the ATP's \$38,000-five-tournament satellite indoor circuit in England. Perkis, 21, who returned home yesterday, has now risen 220 rungs up the ladder in a bare six months. The circuit marked his debut as a full-time tennis pro.

After managing only one win in his first two meets on the unfamiliar courts, consisting of a rolled-out carpet, the gangling 185-lb. Perkis found his touch. He reached the quarter-final stage at each of the next two events and the seeds of the Masters for the top 16 players from the previous four tournaments. He then finished in overall

joint-fourth place among the 40 starters from some 20 countries.

Perkis won \$200 in prize money. "Taking into account my expenses on the trip, I just about broke even," he told me yesterday. The expenses included paying \$3 per hour for the use of a practice court at two of the clubs where he played.

The Israeli's best performance on the five-week circuit was his 2-6, 7-6 (7-1), 6-1 victory in the Masters over two-time runner-up Per Hjertqvist, of Sweden. His other major "scalps" were Australian Charlie Fancutt and Wayne Hunspon.

Meanwhile, long-time local champion Shlomo Glickstein leaves for Brussels today to compete in the \$250,000 Belgian Indoor Tennis Championships starting tomorrow. His itinerary then takes him to Rotterdam and Milan for further top-grade Grand Prix tournaments, worth respectively \$250,000 and \$330,000 in prize money.

### Two world records shattered

GOTHENBURG. — Thierry Vigneron of France recorded the highest pole vault ever when he vaulted 5.85 metres at the European Indoor Athletics Championships here yesterday.

Vigneron shattered the previous world indoor best of 5.83 metres set by Sergei Bubka of the Soviet Union in Los Angeles last month, the same height as the Frenchman's world outdoor record.

In Phoenix, Tanzania's Zarkari Baric outkicked Australia's Rob De Castella in the final mile (1.6 km.) and went on to break the world's record by six seconds with a time of 27:43 in the second annual Continental Homes 10 kilometre road race here on Saturday.

In Tokyo, Glenys Quick of New Zealand won the Nagoya International Women's Marathon yesterday, beating American Ellen Hart by three minutes. (Reuters, AP)

### Last wicket saves Aussies

GEORGETOWN, Guyana (AP). — Rodney Hogg, the fast bowler whose previous highest score in 31 tests was 36, and Tom Hogan, the spinner playing his third test, pulled Australia out of a precarious position on the first day of the first cricket Test match against the West Indies here on Saturday with a record last wicket partnership.

The No. 11 Hogg joined the No. 9 Hogan after three Australian wickets had fallen for two runs to leave their first innings tottering at a shaky 182 for nine. They added 97

in 150 minutes to enable Australia to reach a total of 279. Hogg made 52, and Hogan 42 not out. Garner took 6 for 75.

In 30 minutes' batting before the end of play, the West Indies had replied with 20 without loss.

In Karachi, England were 54 for the loss of two wickets in their second innings yesterday, at the end of the third day of the five-day cricket test against Pakistan. Pakistan took a lead of 95 runs, scoring 277 in reply to England's 182.

### Yeshiva winners

The Yeshiva University of Los Angeles (YULA) Boys' high school basketball team won the Westside League Championship, making it probably the first yeshiva high school team to win a league title in an open league.

### NBA Saturday

Portland 118, Indiana 98; Houston 108, Golden State 106; New Jersey 100, Washington 99; Denver 131 (Alex English 44), Utah 122; Milwaukee 111, New York Knicks 106; Kansas City 105, Dallas 103; Chicago, 102, Atlanta 94.

### Pope praises church's stronghold in Lithuania

VATICAN CITY (AP). — Pope John Paul II yesterday singled out for special praise Roman Catholics in Lithuania, the church's stronghold in the Soviet Union, during a mass for the patron saint of Poland and Lithuania.

John Paul celebrated mass for several thousand people who packed St. Peter's Basilica to mark the 500th anniversary of the death of St. Casimir.

### Martina struggles

NEW YORK (AP). — Tentative and tight to begin with, top-seeded Martina Navratilova turned loose all of the weapons in her mighty arsenal on Saturday to defeat Pam Shriver 7-6 (7-2), 6-4 and move into the final of the \$500,000 Virginia Slims Championships Tennis Tournament. She will face the winner of the second semi-final which pits second-seeded Chris Evert Lloyd against Barbara Potter.

In Madrid, John McEnroe defeated Kevin Carron 6-3, 7-6 (7-4) and Tomas Sand head Vitas Gerulaitis 3-6, 6-4, 6-3 to advance to the final of the \$200,000 U.S. Grand Prix of Madrid tennis tournament.

In the Davis Cup, Mexico, Chile, Brazil, Japan, Pakistan, China and Thailand all advanced to the next round.

## HAGGADA

ABRAHAM SPEYER BRESLAU 1768



Since the Middle Ages, the Haggada is the one Hebrew book which has been most lavishly decorated. Hand-decorated Haggadot enjoyed renewed popularity during the 18th century, the most remarkable and original being that of Nathan ben Abraham Speyer of Breslau. Speyer was the outstanding Jewish folk artist of his time, doubling as scribe and illustrator for his 1768 Haggada. With warm, rich colouring and decorative elaboration, Speyer combined the various influences of the medieval era into a unique creation.

This Facsimile Edition is a proud production of the House of Turnowsky, in cooperation with Shiva Publishers Ltd. The great care and craftsmanship invested in the faithful reproduction of Nathan ben Abraham Speyer's delicate artwork, make this Haggada a collector's item.

If you would like the Speyer Haggada as a Pesach gift for your friends and relatives abroad, The Jerusalem Post will airmail it direct for the additional charge of IS 650, to cover postage.

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To: Books, The Jerusalem Post, P.O.B. 81, Jerusalem 91000. Please send me the Speyer Haggada Facsimile Edition. I enclose a cheque for IS 6250.

Please airmail the Haggada as a Pesach gift, along with a card in my name. I have supplied the recipient's address (on a separate piece of paper), and enclosed an additional IS 650.

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Price valid until March 31, 1984.

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### Malaysia seizes passports of illegal visitors to China

KUALA LUMPUR (AP). — The Malaysian government has impounded the passports of 53 Malaysians found to have made unauthorized visits to China, the *New Sunday Times* has reported.

Home Ministry officials said more passports may be impounded as officials have a list of people who visited China without having their passports stamped, leaving immigration authorities here with no record that they had crossed into China from Hongkong.

They said Chinese officials had issued special documents to enable these people to visit China without using their Malaysian passports. China is reported to be issuing special travel documents to Chinese living abroad, including those from Taiwan, to attract tourists and gain foreign exchange.

Malaysian Home Affairs Minister Musa Hitam has warned that the

government might revoke the citizenship of Malaysians visiting China illegally. But officials said so far no one has been stripped of citizenship.

Malaysian officials pointed out that passports of this Moslem nation specifically rule out their use for travel to Israel, China, Cuba, Albania, North Korea, Vietnam, South Africa and East Germany. Those wishing to visit those countries must obtain special permission from immigration authorities here.

More than 37 per cent of Malaysia's 14 million people are Chinese, 55 per cent are Malays, and almost all the rest are Indians.

Officials explained that unrestricted travel to China is banned for fear that Malaysians might visit the communists there, and come back and work against the government.



## New Hand

### Hart Victory Shakes Up Some, Shakes Out Others

By HOWELL RAINES

**F**OR more than a year, three interlocking questions hovered over the Democrats' extraordinarily long pre-campaign period. Would the Presidential nomination contest last more than a few weeks? Would Walter F. Mondale have trouble getting votes to go with his organizational strength? If so, what contender would emerge with a chance to battle toe-to-toe with Mr. Mondale?

The answers are yes, yes and Gary Hart, according to the voters in New Hampshire's Democratic primary on Tuesday. Their answers were a reminder, at a time when advances in polling, targeting and other campaign sciences lend the electoral process an appearance of predictability, that nothing shakes up a nomination contest like a few voters going to the polling place. The New Hampshire results were also a reminder that apparent front-runners are creatures of fragile political health, and somewhere in the story winter hills of New England, Mr. Mondale picked up an ominous-sounding cough.

Some time back, Senator John Glenn diagnosed what the trouble might be when he said Mr. Mondale would be more popular with union officers and party leaders than with average Democrats and independents. But the Ohio Senator was wrong when he predicted that he would be the beneficiary should Mr. Mondale fail to stir New Hampshire's conservative voters. After a third-place finish, Mr. Glenn is alive, but not kicking very hard.

Three other back-in-the-pack candidates — Alan Cranston, Ernest F. Hollings and Reubin Askew — folded their campaign flags. George McGovern decided to fight on until the primary in Massachusetts, the only state he carried as the Democratic nominee in 1972. But at the end of



Roger Roth

the week, it was Mr. Hart and the threat of, as Mr. Mondale put it, "a long tough fight that could well go to the convention" that troubled the former Vice President.

The reaction of the Mondale campaign team to the Hart victory confirmed this apprehension. Mr. Mondale not only juked his policy of ignoring his rivals; he paid Mr. Hart the compliment of releasing a prepared statement attacking him.

#### Headlines in Vermont

But the Mondale charge that Mr. Hart was afraid to face him in the Southern primaries on March 13 was a feinting action, designed to divert attention from Mr. Mondale's immediate points of vulnerability. These were revealed by his campaign's hasty decision to pull Robert Beckel, the national campaign manager, and Mike Ford, the national field director, out of the Washington office and send them to Maine and Vermont, respectively.

In the Maine caucuses today and Vermont's "beauty contest" primary on Tuesday, only a handful of delegates were at stake. But both sides realize that the headlines will have a lot to do with whether the Colorado Senator is regarded as a flash in the pan or a genuine threat in the

series of delegate-rich primaries and caucuses that begin on March 13.

Mr. Hart was up to some feinting of his own. He called attention to his hopes for Maine and Vermont, the Wyoming caucuses on March 10 and the Massachusetts primary on March 13. But at the same time, he made a Southern swing on Thursday that was really a reconnoitering foray and an opportunity to court Gov. George C. Wallace of Alabama. Some Southerners urged Mr. Hart to compete in earnest in Alabama, Georgia and Florida before March 13. They argued there is a latent anti-Mondale feeling and a political vacuum created by what polls say has been Mr. Glenn's failure to exert his expected appeal with Southern conservatives. Moreover, some Hart advisers believe that the Rev. Jesse Jackson, despite problems created in New Hampshire by his reference to Jews as "hymies," will pull a strong black vote in the South. Strategists believe this will create a "de facto white primary" in which a candidate with a fresh face and momentum might put together a winning plurality.

It was a heady week for Mr. Hart. Now he will start to pay the price of political success in the form of closer scrutiny of his personal life and his "new ideas" message. Already there have been some marginally embarrassing disclosures. Mr. Hart is running as the youth candidate, but he aged an additional year last month, from 46 to 47, when aides acknowledged that he was a year older than his claimed age. A family mix-up in birth records was blamed. Mr. Hart has also revised his story about changing his name to Hart from Hartpence, his original family name. In times past, he told reporters that his parents had done the changing. Now he says it was a "joint decision" made when he was in his early 20's.

As for the "new ideas," opponents contend he has yet to produce one. In fact, Mr. Hart as a Senate member has espoused some innovative proposals on industrial policy and military reform. But as a candidate he has avoided specifics and concentrated on concept. The New York Times/CBS News Poll indicates that his approach is working. More than 40 percent of the Hart voters in New Hampshire said they picked him because of his "new ideas." In New Hampshire, luck also played a role. It came to Mr. Hart in the form of an uncharacteristic tactical blunder by the Mondale forces. Three days before the voting, Mr. Mondale took off to campaign in other states. The theory was that, with the candidate out of the way,

### Onward

Democratic Party primaries and caucuses coming up in the next month will select 1,909 delegates of the total 3,933 attending the national nominating convention July 16-19.

Date	State	Number of Delegates	System
Today	None	23	Caucuses
March 6	Arkansas	37	Primary
March 10	Wyoming	14	Caucuses
March 13 ('Super Tuesday')	Alabama	42	Primary
	Georgia	15	Primary
	Florida	29	Primary
	Massachusetts	13	Primary
	South Carolina	15	Primary
	North Carolina	15	Primary
	Mississippi	15	Primary
	Virginia	15	Primary
March 14	Idaho	14	Caucuses
March 15	Alaska	14	Caucuses
March 17	Delaware	14	Caucuses
	Illinois	25	Primary
	Minnesota	25	Primary
March 18	South Dakota	14	Primary
March 20	Nebraska	14	Primary
March 24	Connecticut	14	Primary
March 25	Maine	25	Caucuses
March 24 or 26	Vermont	14	Caucuses
March 27	Connecticut	14	Primary
March 31	West Virginia	14	Primary
April 3	New York	25	Primary

\*caucuses can be held any time between March 14 and 28

### The Independent Vote That Made All the Difference

**G**ARY Hart owes his victory in New Hampshire to many things, from his advocacy of what he calls "new ideas" to his concentration on women's issues, but no other key element in the Colorado Senator's triumph was as easy to measure as the impact of political independents.

Mr. Hart and Walter F. Mondale ran just about even among Democrats, with Mr. Hart getting 37 percent of their vote and Mr. Mondale 36 percent, according to a New York Times/CBS News Poll of 1,278 voters leaving polling places. But among independents, Mr. Hart got 42 percent and Mr. Mondale only 19 percent, and that provided the 11 percentage point margin that put the Coloradan in first place.

These independents, who made up 38 percent of New Hampshire primary voters (or about twice as big a share as four years ago when the Republican primary provided an equally interesting political show), are fairly typical of independents around the country, a force that keeps growing as allegiance to the two political parties declines. In New Hampshire it is quite easy for them to vote in a party's primary, unlike the practice in New York and California, among other states.

Independents are found most often in the Northeast and the Middle West. They tend to be younger, more liberal and better-educated than most Americans, with family incomes somewhere between those of typical Republicans and typical Democrats. They pay as much attention to politics

as outright partisans, but, largely because of their youth, are less likely to be registered voters.

On some issues, independents fall near the midpoint between the two parties. For example, 36 percent of Republicans, 55 percent of independents and 33 percent of Democrats said in the latest Times/CBS News National Poll that their overall impression of President Reagan was favorable. But they are like Democrats in viewing unemployment, not the deficit, as the nation's most important economic problem, and close to Republicans in their rejection of the idea that involvement in Lebanon has been a failure.

On many issues, especially partisan ones, independents have looser allegiances, and that, along with their youth, may be an important element in Mr. Hart's success with them. The national poll of 1,410 adults, completed three days before the New Hampshire primary, an event that has surely boosted Mr. Hart's standing around the nation, found him exceptionally hard for most Americans to locate politically.

Six registered voters in 10 could not say whether the Senator was a liberal, a moderate or a conservative. In contrast, even if they place them all over the ideological lot, only 9 percent cannot locate Mr. Reagan, 15 percent cannot place Walter Mondale, and 34 percent have no fix on John Glenn.

This lack of impressions spoke louder than the definitions that were offered, presenting Mr. Hart with what the next weeks will define as either an opportunity or a problem. — ADAM CLYMER

## Major News

### In Summary

#### Gemayel Takes A Necessary Trip To Damascus

A "pax Syria" appeared last week to be in store for Lebanon. No longer able to count on American and other foreign forces to shore him up, President Amin Gemayel went to Damascus, was embraced by Syrian President Hafez al-Assad and reportedly accepted his terms for an end to the civil strife.

Mr. Gemayel was expected to announce this week that he would scrap last May's withdrawal agreement with Israel and would reconvene reconciliation talks toward a more broadly based government, that would give Lebanon's Moslems and Druse more power. The conference would begin this week in Geneva. In turn, Syria would impose a ceasefire and in effect keep Mr. Gemayel in the presidency. Two Syrian-backed Lebanese leaders who had been demanding his resignation,

Walid Jumblat of the Druse and Nabih Berri of the Shittes, were called to Damascus for some evidently effective arm-twisting.

Before making any announcements, Mr. Gemayel took some precautions against violent reactions from the anti-Syrian side by consultations with the Christians. He also conferred with the United States, Israel, and Saudi Arabia in what was reported to be a face-saving effort to replace the Israeli agreement by something else. Heavy firing continued yesterday in Beirut.

Although his warships and marines remained offshore, the United States not only was virtually absent from these arrangements but had to witness the apparent abrogation of an agreement it had laboriously sponsored. Among other things, the accord would have required Syria to pull out at the same time that Israel did. Damascus would not hear of it. With the apparent Syrian diplomatic victory came recrimination in Washington. At a hearing before a Senate subcommittee, Secretary of State

George P. Shultz said Congress's constant debate over application of the War Powers Act to Lebanon had so tied up the Administration as to make it impossible to conduct a "sensible" policy. Mr. Shultz was trying "to find a scapegoat for a failed policy," Robert C. Byrd, the Senate Democratic leader, retorted. As for Israel, Prime Minister Yitzhak Shamir said that it would take care of itself in southern Lebanon and even try to cooperate with the Lebanese.

France, the only power left in the multinational force in Beirut, indicated it would not stay for long, particularly after the Soviet Union vetoed a French-sponsored move in the United Nations Security Council to send a U.N. force. Although the United States voted in favor, it appeared relieved that the move had been blocked because it would have meant removing American ships — and influence — from the area.

#### Trudeau Says He's Quitting

Pierre Elliott Trudeau last week announced the end of a notable era in Canada — 15 years as Prime Minister of a fractious country that he has sought to keep, if not united, at least together.



Prime Minister Pierre Elliott Trudeau in Ottawa last week.

With characteristic drama, Mr. Trudeau let it be known that he had made his final decision to step down (in a few months, after a new leader of the Liberal Party is chosen) during a solitary stroll in an Ottawa

snowstorm. That fitted in with a career and a style that has fascinated Canadians and given him a world standing beyond what his countrymen normally expect of their leaders. He is a serious student of law and politics who at one time or other plummeted in Buckingham Palace, married a woman 29 years his junior, frequented discos, and put down critics with intellectual brilliance and sometimes with obscenities.

It was toward the end of his leadership that Mr. Trudeau made two of his boldest moves, an energy policy designed to end foreign domination over Canada's oil and gas supplies, and constitutional reform aimed at keeping his native Quebec in the Canadian federation and enhancing national pride by ending juridical dependence on Britain.

The need to persuade French- and English-speaking Canadians to coexist under one roof and to make the Federal power paramount over regional differences has been the great passions of his political career. Lately, he has been travelling on a campaign to reduce international tensions and promote disarmament.

Critics may see Mr. Trudeau's decision to retire at 64 as a way of avoiding defeat in an election expected later this year. The Liberals are running well behind the Conservatives and need not only to hold on to their traditional power base in

Quebec but to regain ground in Ontario and the West. John Turner, a Toronto lawyer and Mr. Trudeau's Finance Minister in the early days until they broke, is seen as the man with the best chance of cutting the Conservative lead outside Quebec.

Because of his unpredictable ways, some Canadians will believe Mr. Trudeau is leaving only when it happens. "Once bitten, twice shy," said John Crosbie, a former Conservative Finance Minister who should know. His defeat on a budget vote in December 1979 incited Mr. Trudeau to withdraw his plan to retire and to lead the Liberals to a stunning comeback the following February.

### What moves are left in Mideast?

3



# The Nation

## Congress Works On New Taxes, Just in Case

With bipartisan budget-cutting talks with the White House bogged down, the outlines of a deficit reduction package began to take shape on Capitol Hill last week.

The House Ways and Means Committee put finishing touches on a bill aimed at sopping up a little of the red ink — Federal deficits are projected to hit \$180 billion a year for the next three years — with \$49.3 billion in miscellaneous taxes, but no general income tax boost. The measure would, among other things, make drinkers pay more for their liquor and truckers pay more for their diesel fuel. Separately, the Senate Finance Committee was assembling its own tax bill. When and if the proposals would emerge from committees wasn't clear. The Democratic leadership planned to hold up action in the House, hoping to force the White House into concessions.

Meanwhile, the National Governors' Conference, which met in Washington for three days, and which is dominated by Democrats, called for less spending on the military and higher taxes across the board. But Administration officials insisted that the White House was dead set against a general tax increase. The prospect of continued deadlock apparently caused prices on the stock market to drop sharply before closing the week on the plus side. The market had surged early in the week on reports that the Administration

Presidential counselor was unfit to serve as Attorney General on political grounds, the toughest questions involved the sale of his La Mesa, Calif., home.

Senator Howard M. Metzenbaum of Ohio, who produced a copy of the purchaser's mortgage, said a California real estate developer, Thomas J. Barrack Jr., had arranged for an associate, Irv Howard, to buy the home. Mr. Howard got special financing from Mr. Meese's bank, bought it for \$307,500 and later sold it at a loss. Mr. Meese had debts of nearly \$500,000 and was often months behind in his mortgage payments, Mr. Metzenbaum said, and had been eager to sell the house. Mr. Barrack and two officials of the bank have since gotten posts in the Reagan Administration.

Mr. Meese defended the sale as "absolutely a legitimate business deal." Mr. Barrack has been called to testify in the hearings, which are to continue tomorrow.

Mr. Meese was also pressed on his views on civil rights and the Administration's record on appointing minority-group members to the Federal bench. Because of Mr. Meese's role in the 1980 campaign, Mr. Metzenbaum said, he could "not maintain the appearance of independence as Attorney General."

## The Missing Blacklist Memos

When Thomas E. Harvey, the United States Information Agency's general counsel, destroyed records that explained why certain Americans had been considered unfit for overseas consumption, it wasn't a cover-up, it was an attempt to root out "inappropriate management practice."

So explained Mr. Harvey in a memo disclosed last week during another burst of embarrassment over the agency. Testifying before a House subcommittee, U.S.I.A. Director Charles Z. Wick said he had been assured by Mr. Harvey that destroying the records "was both legally proper and taken in order to correct improper management practices involved in the selection of speakers" for appearances abroad. Nonetheless, Mr. Wick said he had asked the Justice Department for an advisory opinion. The documents — some disposed of in a garbage can at Mr. Harvey's home — were said to have been drafts that spelled out why such prominent citizens as Walter Cronkite, Ralph Nader, Coretta Scott King and Gary Hart had been barred from taking part in a Government-sponsored speaking program.

In his House testimony, Mr. Wick also disclosed that a senior U.S.I.A. official no longer with the agency had once secretly taped a telephone conversation. "We are not here to impeach Mr. Wick or to cause him additional pain," said the chairman of the committee, Representative Jack Brooks of Texas, who was on the blacklist himself. "Certainly, he and his associates have done a good job of that already." The Senate Foreign Relations Committee said in a report last week that Mr. Wick, who admitted late last year that he had secretly taped hundreds of telephone calls, might have broken a state law when he hooked up his recorder during a visit to California.

## Striking a Deal At 3-Mile Island

A subsidiary of General Public Utilities Corporation, owner of Three Mile Island, agreed last week to pay its debt to society. It may turn out to be small change, however, if the Nuclear Regulatory Commission allows the resumption of operations at a second reactor next door to the stricken plant.

Under an agreement negotiated with the Justice Department and approved by Judge Sylvia Rambo, the utility will contribute \$1 million to an emergency planning fund for the Harrisburg, Pa., area and pay \$45,000 in fines. A grand jury had charged that records relating to leaks of radioactive water from a cooling system had been manipulated and falsified in the months before the March 1979 accident. Had the documents not been tampered with, investigators said, Unit 2 would almost certainly have been shut, averting the mishap.

The company's chairman, William G. Kuhns, said that by pleading guilty to criminal misconduct the utility would avoid a lengthy trial and reduce "the uncertainties that stand in the way" of a start-up of the undamaged Unit 1, thus cutting the \$180-million-a-year bill for replacement power for Three Mile Island's 1.6 million customers.

Whether or not the N.R.C. will see it that way in June, when it says it will decide the matter, is far from clear. As it happened, the commission staff last week cited the operator for 12 alleged violations during tests of Unit 1 last year and proposed a \$40,000 fine.

Michael Wright,  
Richard Levine  
and Caroline Rand Herron



Paul A. Volcker appearing before Senate Budget Committee last week.

might in fact be more open-minded about taxes.

There were also jitters over the renewed assertion by Paul A. Volcker, chairman of the Federal Reserve Board, that interest rates won't decline "unless the Federal budget is reduced." High rates have helped keep the dollar strong and made imported goods cheaper, thus helping to check inflation but leading to skyrocketing trade deficits, reported last week to have been a record \$9.47 billion in January. Not all the economic data were downbeat. The Government's index of leading economic indicators jumped 1.1 percent in January over the December level.

## And Language Is No Problem

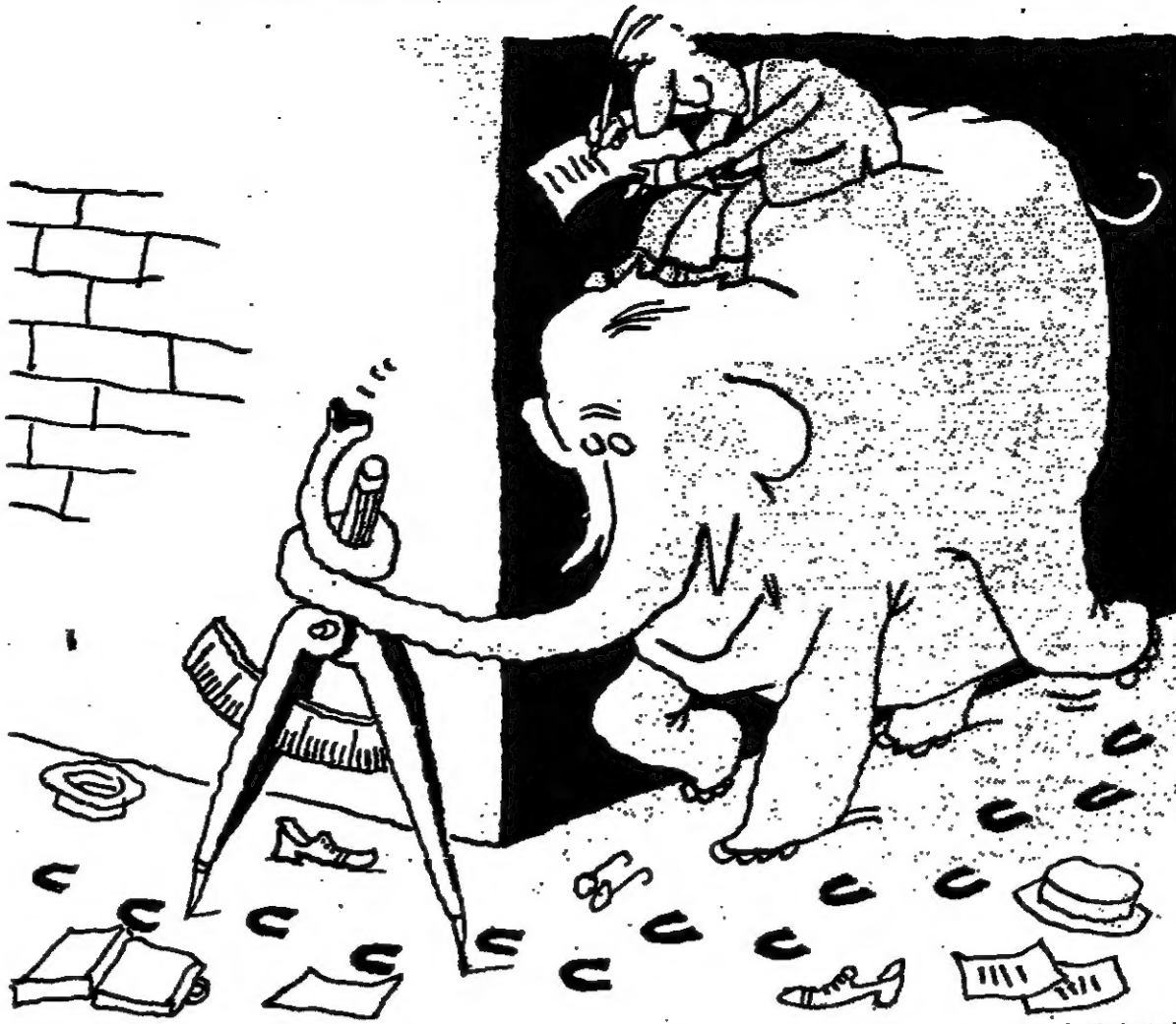
There have no doubt been times when President Reagan was sorely tempted to tell Speaker of the House Thomas P. O'Neill Jr. where he might go. Last week Mr. O'Neill himself came up with a destination to which he would willingly be sent. The 71-year-old Massachusetts Democrat said an appointment as Ambassador to Ireland, "or some place like that," would be a fitting end to a career that has included 31 years in the House of Representatives, seven as Speaker and three as his party's national spokesman. Not that Mr. O'Neill held much hope President Reagan would offer him the job. But the Speaker said a Democratic President might, and a victory for the party in November was "definitely in the realm of possibility." If not, Mr. O'Neill said he would stay on in Congress, but only until 1986.

In recent months many veteran Representatives have given notice, but this was the first indication of the Speaker's intentions. Mr. O'Neill predicted that Representative Jim Wright of Texas, the House majority leader, would succeed him.

## Meese Under The Microscope

As President's Reagan's choice for the job of top law-enforcement official in the United States, Edwin W. Meese 3d was expecting a rough going-over from the Senate Judiciary Committee. He wasn't disappointed last week. While some committee members contended that the

## Hart's Quick Surge Worries Some Reagan Strategists



Senior aides said in interviews that they still believed the former Vice President would be the nominee. "My gut instinct tells me Mondale is going to be able to put it back together, but I'm not at all sure Hart won't catch on and go all the way," Mr. Rollins said. Some months ago, the general feeling among Mr. Reagan's advisers was that Senator John Glenn of Ohio would be the toughest candidate because of what they called the "celebrity factor," and Mr. Glenn's reputation as the most conservative of the leading Democrats.

More recently, the Reagan campaign staff decided that Mr. Mondale would be the most formidable opponent because of his vaunted organization and presumed ability to appeal to traditional Democratic constituents, particularly working-class ethnic groups. In addition, James A. Baker 3d, the White House chief of staff, is a known proponent of the theory that nothing prepares a Presidential candidate better than the experience of having run in a national campaign. Last week, he was reportedly telling associates that, however battered Mr. Mondale might seem at the moment, he had a track record free of the sort of blunders that can undermine a candidacy under pressure.

Running counter to the belief that Mr. Mondale remained the most formidable Democrat was the new notion that Mr. Hart posed potentially the bigger threat. Campaign officials said that Mr. Rollins and Lyn Nofziger, the longtime Reagan adviser, were warning that Mr. Hart should not be underestimated. Both Mr. Rollins and Mr. Nofziger were understood to have compared Mr. Hart with former Governor Jerry Brown of California, who entered the Presidential race seemingly out of nowhere in 1976 and promptly won several Democratic primaries by making liberals, moderates and conservatives think he shared their beliefs.

For months, Reagan campaign strategists have been analyzing the American electorate as a patchwork of voting blocs. The main concern of Mr. Reagan's advisers has been the President's difficulties in appealing to women, blacks, Roman Catholics of various national origins and the elderly.

One group that these planners have been less worried about is the upwardly mobile, well-educated group of voters 45 years and younger. Younger voters have been found by Mr. Reagan's campaign to be attracted by the President's upbeat vision of economic opportunity and growth of high-technology industries. The Reagan campaign had been set to portray Mr. Mondale as a man with ideas rooted in the past. They said last week that they were concerned that Mr. Hart might pre-empt the issue, just as they had earlier thought Mr. Glenn might.

In the primary elections to come, the Reagan campaign operation may not be particularly visible, but given Mr. Mondale's disappointing experience with his organization, the President's strategists are anxious to use the time to put their own organization through some practice runs. "We made 100,000 telephone calls in New Hampshire and brought out 63,000 votes," said a campaign official. "We don't want to have the most vaunted organization in history and then find it's not up to the task."

## The White House Ponders New Hampshire's Message

By STEVEN B. WEISMAN

WASHINGTON — The new turmoil in the race for the Democratic Presidential nomination brought delight to President Reagan's re-election campaign. But it also provided some sobering reminders that Mr. Reagan cannot count on an easy re-election campaign himself.

Almost before the results from New Hampshire were in, Mr. Reagan's strategists began reassessing the situation in light of the victory by Senator Gary Hart of Colorado over the supposed frontrunner, Walter F. Mondale. Not least among the lessons learned was that Mr. Reagan, like Mr. Mondale, may run the risk of appearing complacent and relying too heavily on an organization that has not been tested.

In general, Reagan strategists agreed that a perhaps prolonged Democratic race meant there could be less time for the party to unify and direct its attention to Mr. Reagan. "On balance, it's helpful to us that there'll be a spirited primary rather than a coronation," said a senior White House official.

Switching gears abruptly, research staffs at the Republican National Committee and the Reagan-Bush headquarters began scanning Mr. Hart's voting record in the Senate for possible ammunition to use against him. Earlier the cam-

paign had planned to focus attention on a single Democratic opponent by April; now the assumption is that this might not occur until May or June. By May, Mr. Reagan's first television advertisements are expected to be aired. Campaign officials said that they would likely be directed against the "liberal philosophy" of the Democrats, and not the record of any one man.

Whereas the Reagan campaign had planned to shackle Mr. Mondale to former President Jimmy Carter, Reagan aides said they will have no trouble linking Mr. Hart to former Senator George McGovern, whose Presidential campaign Mr. Hart managed in 1972. "I know there's a lot of nice liberal nostalgia about McGovern," said a Reagan strategist. "But in the country, McGovern has as big a negative rating as he ever had. If anything, McGovern is a bigger liability for Hart than Carter is for Mondale."

The Reagan-Bush organization also began planning for new polls to assess how Mr. Hart was being regarded by voters. Of concern to several campaign aides was that, in the latest Republican campaign poll, in early February, Mr. Hart had only a 35 percent name recognition. By "Super Tuesday" on March 13, Mr. Hart's recognition factor could reach 85 percent, these aides believe. "That means he can be anything to anybody in the next two weeks," said Edward J. Rollins, the Reagan-Bush campaign manager.

## Policeman's Trial Is Causing Apprehension

## Can the Three Miamis Pull Together?

By REGINALD STUART

MIAMI — A few weeks ago, the Dade County tourism department faced an embarrassing problem. It had trouble finding any black residents to say good things about Miami, a snag that delayed completion of a promotional film it was making.

This is one indication of the estrangement felt by the city's black community. That feeling is contributing to rising tensions over the outcome later this month of the manslaughter trial of a Miami police officer, Luis Alvarez. After he fatally shot a black man, Nevell Johnson, in a video games arcade in December 1982, riots raged for several days in the Overtown area of the city.

Mr. Alvarez, a Cuban-born American, is the fourth Dade County police officer in a year to be tried on manslaughter charges in connection with the fatal shooting of a black man.

"The unfortunate thing about the Alvarez trial is that the shooting was a terrible accident that happened at a time when we were beginning to pull the community together," said William O. Culom, president of the Greater Miami Area Chamber of Commerce.

Since the Liberty City riot of 1980, also triggered by the killing of a black man, the Chamber of Commerce has raised nearly \$10 million in private financing for black businesses as part of an effort to bring more blacks into the economic mainstream here. The commitment, Mr. Culom said, could lose much of its momentum if riots occur again.

Many concerned citizens see Miami as a city of talent and ambition frustrated by cultural walls that sharply divide its Cuban, black and non-Hispanic white populations.

"What you basically have are three cultural communities who have come to occupy three territories that are rather clearly defined," said Msgr. Bryan O. Walsh, the chairman of the Dade County Community Relations Board.

Before 1960, Miami was a quiet city, quite like most racially segregated Southern towns of the time. But the advent of Fidel Castro changed things in a very short time. A flood of middle- and upper-class Cuban immigrants settled here, and three subsequent waves of refugees have made Miami a predominantly Hispanic city.

Miami's Hispanic community, about 85 percent of whom are Cubans or first-generation Americans of Cuban descent, is a tightly knit, conservative society that has held on to its language, Catholic faith and Latin traditions. Although some assimilation is taking place, a Cuban-American can live here without ever having to speak a word of English.

Politically, most are Republicans. Many



Police officer Luis Alvarez (right) and his attorney, Mark Seiden, at trial in Miami last month, examining revolver used in 1982 shooting of a black man.

Cubans here distinguish friends from enemies among other Miami residents by their stance on Communism and Cuban President Fidel Castro.

Many of Miami's political leaders, both black and white, say that such attitudes only serve to divide the city and fuel the fires of resentment.

The most recent example of their frustration occurred last week when Burdine's, one of the city's largest department stores, canceled an invitation to Jane Fonda to promote a line of clothing after a popular Spanish-language radio station broadcasted fiery editorials attacking her as a "redneck leftist."

## Presidential Favoritism?

In contrast, the Cuban community was euphoric last summer when President Reagan visited. The same radio station called for a massive turnout in support of the President.

Black leaders contended that Mr. Reagan's appearance before Cuban crowds was a clear case of favoritism.

Resentment among many blacks began in the 1960's when the well-trained Cuban immigrants came in to fill lower-level jobs just as those jobs had been opening up for blacks.

There is resentment against Cubans among

non-Hispanic whites too. "Because Hispanics are a new element, they are perceived as having encroached on other people," said Francina Thomas, a black political commentator for a local television station. "Blacks see them as another group to be reckoned with in terms of equity that whites once doled out," she added. "Now that they have done so well, whites feel encroached upon."

In 1980, Dade County voters approved by a 2-to-1 margin a referendum making English the official language of the county, a vote considered by Cubans to be a slap in the face.

Fear of a Cuban takeover of Miami city government figured in last fall's mayoral race. Many non-Hispanic white voters who opposed Mayor Maurice Ferre in the general elections voted for him in his runoff contest against Xavier Suarez, a Cuban-born attorney, local political analysts believe.

Some Cuban leaders are alarmed by the divisions between their community and the rest of the city and are trying to reach out. "The wall is beginning to have windows and eventually it will be full of doors," said Maria Barrios, president of the Coalition of Hispanic American Women. "It just takes time."



# The World

## Soviet Leader Urges a New Try at Détente

The new Soviet leadership provided a glimpse last week of its style if not its inner thoughts. In his first speech since Yuri V. Andropov's funeral last month, Konstantin U. Chernenko, the new party chief, revived talk of détente and urged Washington to take "real actions" that could signal a "real drastic change" in relations. But he gave no hint of changed Soviet positions.

As a beginning, he urged the United States to ratify treaties it signed in the 1970's limiting nuclear explosions for peaceful purposes and the size of underground weapons tests. He also called for accords banning all nuclear testing, renouncing outer-space weapons and prohibiting chemical weapons. United States officials have questioned the reliability of the limited procedures the Russians have been willing to accept to verify such accords.

Mr. Chernenko made no direct attacks on President Reagan. But he accused the United States of "blatant militarism" and "violations of the rights and freedoms of the peoples" in Lebanon, Grenada and Nicaragua. Two other senior Politburo members, Foreign Minister Andrei A. Gromyko and Defense Minister Dimitri F. Ustinov, used harsher words to blame the United States for the poor state of Soviet-American relations.

Mr. Chernenko, who is 72 years old and reportedly in uncertain health, had trouble reading his nationally televised address, which was part of the preparations for today's one-party elections for the Supreme Soviet, the nominal Parliament. He slurred his words, seemed to lose his place and skipped an important section, which was later published.

On the domestic front, Mr. Chernenko endorsed Mr. Andropov's crackdown on officials who take bribes and embezzle, and shirking workers. This approach was supported by the prominence given Mikhail S. Gorbachev, an Andropov protégé; he spoke after other Politburo members, except for Mr. Chernenko and Prime Minister Nikolai Tikhonov. According to Soviet electoral protocol, this timing signaled his importance.

The White House shrugged off Mr. Chernenko's criticisms. "There is a reasonable opportunity for a dialogue," spokesman Larry Speakes said.

At the same time, the State Department denied a visa to Oleg N. Yermishkin, who had been named "Olympics attaché" with the Soviet athletes for this summer's games in Los Angeles. Officials said Mr. Yermishkin was a known K.G.B. espionage agent. "Obviously we can't guarantee every Russian going to L.A. is not a K.G.B. agent," an official said. But the denial was intended as "a message to the K.G.B. that we were in no mood to let one of their guys in," he added, "once we knew who he was."

## Unesco Due For Scrutiny

Faced with the question of whether the United States should or should not stay in the United Nations Educational, Scientific and Cultural Organization, Congress has decided to see for itself. Unesco's director general agreed last week to open its doors to Congressional investigators looking into Administration charges that the agency is mismanaged, corrupt and misguided.

What is being officially called a review will cover not only the way Unesco has been run under Amadou Mahtar M'Bow of Senegal, but the allegedly anti-Western policies that have flourished under him. These include the idea of a new world information order, which is being promoted by third world countries and the Soviet bloc as a way, the United States and others contend, of restricting Western reporters and press agencies.

The Congressional findings, if they do not uphold the charges, could make it difficult for the Administration to carry out its threat to pull out next January. If the findings are damaging to Unesco, they could lead to the resignation of Mr. M'Bow, wholesale changes in Unesco's operations and policies and finally to a decision to keep the United States in and continuing to pay 25 percent of the organization's budget.

## Defectors Try A Wrong Exit

As members of the privileged "new class," relatives of top Communist leaders sometimes develop desires for Western freedoms that are indisputably un-Marxist-Leninist. Last weekend, Ingrid Berg and her family asked for asylum at the West German embassy in Prague. The request was embarrassing, to say the least, for Mrs. Berg's uncle, Willi Stoph, the East German Prime

Minister. He quickly made it known through the Government press agency that he had "nothing to do with the actions of a Berg family."

The Bergs' initiative was also an embarrassment in Bonn. Their request outside the normal channels threatened to interfere with the unusually heavy flow — 100 per day — of East Germans permitted to go West in recent weeks. Some had been waiting 10 years for the chance. The exodus was part of a deal in which West German banks lent nearly \$400 million to the hard-pressed East German economy.

Bonn called in Wolfgang Vogel, the well-connected East German lawyer who has arranged thousands of exit visas, reportedly in return for payments of \$20,000 a head to the East Berlin authorities. Mr. Vogel, a friend of Erich Honecker, the East German party leader, had arranged the departure in January of 18 East Germans who sought asylum in the West German and American Embassies in East Berlin.

In a face-saving compromise, Mrs. Berg, her husband Hans-Dieter, his mother Olga, and the family's two small children returned to East Germany last week. They were promised exit visas later. The Bergs could face heavy prison sentences for attempting "to flee the republic," but this seemed unlikely. Mr. Honecker, who is expected to visit Bonn this year, has been cultivating inter-German détente as a rewarding counterpoint to frigid Soviet-American relations.

## The Gulf War Grows Hotter

The Iran-Iraq war flared up last week and threatened to spread. Iraq, fighting off Iranian assaults inside its territory, announced that it was attacking ships approaching Iran's main oil port, Kharg Island. Oil prices rose for a time on the world spot market and Japanese tankers were redirected away from the area. A United States destroyer in the Strait of Hormuz fired warning shots at an Iranian patrol plane and warned off an Iranian frigate that had come within five miles of the



Iranian tank advancing in southeastern Iraq during latest offensive.

ship; the 20 American warships in the Persian Gulf and Arabian Sea were on the alert against possible suicide attacks.

The Iraqi announcement, like many in the 41-month-old war, may have been a bluff. American intelligence planes and satellites spotted several hundred thousand Iranian troops massing near Iraq's southern border for what could become the biggest attack of the war. But they saw "no smoke, no burning docks, no sinking ships," a Pentagon official said. But when Tehran repeated its threats to close the strait if attacked there and thus block shipping carrying 18 percent of world oil needs, Washington expressed "serious concern." Officials cited President Reagan's warning last month, "There's no way that we could allow that channel to be closed." Western intelligence sources doubted that Iran could or would carry out its threat.

Perceiving a pro-Iraqi tilt, Iran's Ayatollah Ruhollah Khomeini advised Mr. Reagan that it was "up to the Iranian people to grant you permission" to keep the strait open. Iran won't stop fighting until President Saddam Hussein of Iraq is overthrown, the Ayatollah added, "and neither America nor any other power can keep him in office."

Milt Freudenberg,  
Henry Gliniger  
and Carlyle C. Douglas

### A Correction

A map of India in The Week in Review of Feb. 26 was in error. The state identified as Haryana was in fact Rajasthan.

## Hussein and Arafat Kept Reagan Peace Plan on the Agenda Last Week



Defense Secretary Caspar W. Weinberger talking to reporters outside the U.S. Embassy in Beirut last week.

United Press International

## After Lebanon, U.S. Seeks Some Pluses

By BERNARD GWERTZMAN

WASHINGTON — Is there hope yet for President Reagan's 1982 plan for a Middle East settlement? In the midst of a testy subcommittee hearing last week, Senator Pete V. Domenici, Republican of New Mexico, called the plan a failure. "I don't agree with you that it is a failure," Secretary of State George P. Shultz shot back.

"Oh! You've had success there lately," Mr. Domenici said sarcastically.

No, Mr. Shultz replied, "we haven't had a success, but it has provided an essential rallying point. People all around the region talk about it. And I think it has played a very constructive role in the discussions. It has not yet been possible to bring another Arab government, with Palestinian representation, to the bargaining table with Israel. We continue to work on that."

There was truth in what both men said: The peace plan, announced by Mr. Reagan on Sept. 1, 1982, when the Administration felt it was on the road to ridding Lebanon of all Israeli, Syrian and P.L.O. troops, and to turning that summer's conflict into an opportunity for peace, has not produced any concrete results. In that sense, it has failed.

But the plan's basic thrust — to involve Jordan, supported by a Palestinian consensus, in negotiations with Israel on deciding the future of the West Bank — still seems the most likely way that the next Arab-Israeli negotiations will take place. As shown by the discussions in Amman last week between King Hussein of Jordan and Yasser Arafat, the Palestine Liberation Organization leader, the Reagan plan is still on the agenda, if perhaps not "the rallying point" claimed by Mr. Shultz.

The Administration has been paying particular attention to the Hussein-Arafat dialogue because, after a string of setbacks in the Middle East, it would like to show some progress, particularly in an election year when foreign policy is an issue.

With hopes for an independent, pro-Western Lebanon fading as President Amin Gemayel makes his best possible deal with Syria, the United States is considering another Middle East effort, involving Jordan, to put the unfortunate Lebanon experience behind it. But virtually no one in Washington expects much success at this time from such a move. King Hussein and Mr. Arafat concluded their talks, their first in almost a year, with an agreement to seek a coordinated policy toward Israel. They said their discussions would continue.

Donald H. Rumsfeld, who has been chief Middle East negotiator since December and has had nothing to show but frustration, was in effect grounded in Washington last week, trying to decide whether to cut short his leave of absence and return to G.D. Searle & Co. There was a serious question as to whether there was anything for him to do except read cables. He was waiting for Mr. Arafat to leave Amman so he could find out, either by going there or by message from Amman, whether the Jordan option was open. In an election year, the White House thought it prudent to make sure Mr. Rumsfeld did not go to Amman while Mr. Arafat was there, for fear it would be seen as another secret contact with the P.L.O., something ruled out through repeated pledges to Israel.

### Hopes Are Dim

The Administration's hopes are dim. Under the admittedly optimistic scenario, if King Hussein was willing and Mr. Arafat and local West Bank Palestinians did not put up a red light, the United States would urge Egypt and Israel to renew their discussions on Palestinian self-rule in the West Bank and the Gaza Strip. This time, however, Jordan and Palestinians would take part.

Mr. Reagan, in his "initiative," said the United States favored an eventual association of an autonomous Palestinian area with Jordan. He said the United States was opposed equally to an independent Palestinian state and to Israeli sov-

eighty over the occupied area. As a result, the Reagan plan has never been endorsed by the P.L.O. or by Israel.

With Mr. Reagan's current term in its last year, the chances of movement on longer-term Middle East issues must be regarded as remote. King Hussein, who would have to screw up his courage to face expected Syrian political and military pressure if he agreed to enter negotiations, is convinced that in an election year, no Administration will bring the kind of pressure on Israel that would be needed to produce a settlement. With Congress pushing for a law forcing the Administration to move the embassy from Tel Aviv to Jerusalem, and with opposition expressed by many lawmakers to the sale of Stinger shoulder-fired antiaircraft missiles to Jordan, King Hussein's view of American politics appears realistic.

The passive role taken by Washington as it watches the ascendancy again of Syria in Lebanon may contain the seeds for a much deeper problem for the United States than policy makers want to admit. There is a psychology in Middle East diplomacy by which the perception of being a winner makes success that much more possible. Henry A. Kissinger was able to surmount considerable obstacles in 1974-75 during his diplomatic shuffles by building on his accomplishments. But the inconsistency of the Administration's handling of the Lebanon affair, and the lack of support for its efforts in Congress, has undercut the image of the United States in the region and made it much for difficult for the Administration to count on making quick headway.

Some of the Administration's Middle East experts are counseling that Washington, in fact, reduce the rhetoric about the Middle East, pay attention to key issues such as the flow of oil through the Strait of Hormuz, and recognize that there is no chance realistically to do anything until next year about the deadlock in Arab-Israeli affairs.

## Irish-Americans Will Hear From the Old Country This Week

## FitzGerald Packs a Bag of Troubles

By JON NORDHEIMER

DUBLIN — He is called "Garret the Good" here, which in the rough-and-tumble world of Irish politics is not meant to be particularly respectful. Fifteen months after putting together his Government, Ireland's fourth since 1981, Prime Minister Garret FitzGerald is still seen in some corners as an idealistic dreamer trying to heal age-old Irish problems — the hemorrhaging economy and a divided country.

When he arrives in the United States on Saturday, Mr. FitzGerald will dutifully attend to both causes, meeting with business leaders, Irish-American groups and President Reagan and addressing a joint session of Congress. His public remarks will be carefully measured because, to encourage investment, he must play down the country's economic and social stress. But in private conversations with the President, who is to visit Ireland in June, and in talks with the most important players in Washington on Irish-American affairs, the Speaker of the House, Thomas P. O'Neill Jr., and Senators Edward M. Kennedy and Daniel Patrick Moynihan, Mr. FitzGerald is expected to paint a more disturbing picture.

Economic troubles are increasing his resolve to find a formula that might help end the strife in Northern Ireland before the alienation of Roman Catholics there infects growing numbers of disillusioned youth across the border. Unemployment continues to rise in the republic even as Government austerity measures bite into consumer spending. With 215,500 out of work, the unemployment rate is 14 percent.

But even this high figure is misleading because Ireland's 3.4 million population is swollen by the very young. One third are under 15 years of age and another large group of dependents are elderly pensioners.

For decades, workers have left to seek opportunities abroad, returning home to retire. But in today's global recession, the young can no longer find jobs abroad. So they remain, restless and potentially explosive. By the end of next year, 60,000 youths are expected to be out of work, four

times the total in 1980. The consequences are already showing up in ballooning crime rates and drug addiction, particularly in Dublin, where one-third of the people live.

With the highest birth rate and youngest population in Europe, Ireland must try to triple its present total of 200,000 manufacturing jobs by the end of the century. In a 350-page report last week, the Economic and Social Research Institute in Dublin said that full employment would be possible only if strong measures were taken, notably cuts in the real wages of public workers. The following day, the Government asked for a wage freeze for the remainder of the year to maintain the competitiveness of Irish industry. The trade unions, which are seeking an 8 percent pay increase, scoffed. Mr. FitzGerald, during his American visit, will try to convey some of this sense of urgency. He will also attempt to discourage emotional and financial support for nationalist terrorists based in Northern Ireland, who are seen as a threat to the stability of the republic. It is a tricky assignment. Ireland has benefited from the good will of some 40 million Americans who claim Irish descent. The last thing an Irish leader wants to do is alienate them by lecturing them from the halls of Congress.

Implacably opposed to the Irish Republican Army and other paramilitary nationalists, Mr. FitzGerald has steadily built a bridge to Britain on the Northern Ireland question. He has argued that both countries have an interest in reaching a settlement before the violence takes root outside the province. In a surprising turnaround, Dublin has lately been chastising London for being "soft" on the I.R.A., complaining that British ministers appeared too willing to deal with Sinn



Katherine Young/Even Simon  
Garret FitzGerald

Fein, the political arm of the I.R.A.

In one of the ironic inconsistencies that haunt Anglo-Irish relations, Sinn Féin members are banned from Irish national radio and television; but British radio and television, much of which is received in Ireland, carry frequent interviews with them — usually on their plans for ejecting the British from Northern Ireland by force. Ireland spends millions of pounds from strained budgets on security measures against terrorism that spills over from the north. In December, in an episode that galvanized Irish public opinion, an Irish soldier and a police cadet were killed rescuing a British businessman kidnapped by the I.R.A.

For nine months, the republic's three main political parties, along with moderate nationalists from the north, have been trying to agree on a framework for Irish national unity. This would not carry an official endorsement but could serve to show the British and the Unionists in the north that politicians in the republic are prepared to take the first step in the long search for a solution to the Northern Ireland conundrum. The group, known as the New Ireland Forum, was regarded skeptically at first, but the Irish party leaders, including Mr. FitzGerald, have labored so long and diligently that London is said to be intrigued by what kind of document will be produced at the end of this month.

Some of the participants, such as Mr. FitzGerald and John Hume of Northern Ireland, feel strongly that Ireland no longer has time on its side and will be pressing for a strong initiative to break the deadlock. In his visit to Washington and New York, Mr. FitzGerald will be quietly trying to muster good will and support.



## Rightist Contender Was Accused of Death-Squad Ties Last Week

# Candidates In Salvador Watching Their Backs

By LYDIA CHAVEZ

SAN SALVADOR — On a recent Saturday afternoon, Roberto d'Aubuisson, the presidential candidate for the far-right National Republican Alliance (Arena), and Hugo Barrera, his running mate, drove up to the marketplace in Chalatenango in a covered jeep. Men with pistols and submachine guns jumped out in front of them to circle the stand from which Mr. d'Aubuisson would speak.

Such scenes are not unusual in the Salvadoran election campaign. Most of the major candidates, including Mr. d'Aubuisson's principal rival, José Napoleón Duarte of the Christian Democratic Party, have a small corps of security guards — both private and on loan from the National Police — who follow them on their trips to the countryside. Given the mortality rate among Salvadoran politicians, the precautions the candidates are taking seem mild. During the election campaign two years ago, four politicians were assassinated. Since then, four deputies out of 60 have been gunned down. The threat of violence comes from the left and the right.

Ernesto Panama, Mr. d'Aubuisson's campaign manager in the capital, said this campaign had the potential to be the country's most violent. "These elections will totally define the future," Mr. Panama, who carries an extra clip of ammunition on his waist, asserted. "We are either going to save the world from communism or put us behind the iron or bamboo curtain."

Violence from the left has subsided somewhat. After a strong four-month offensive that ended in January, the guerrillas have scaled down their activity to small attacks. Indeed, leftist leaders are saying that they will permit the voting to proceed and that the elections will not be the object of direct military attacks. An intensive guerrilla effort to disrupt the March 1982 elections was a public relations disaster; Salvadoran voters went to the polls in large numbers anyway.

The recent slowdown in guerrilla activity has made it easier for the candidates to travel, but they still feel vulnerable. The crowds sometimes grow to as many as 7,000 people in a town square and almost anyone may be carrying a gun.

Francisco José Guerrero, the candidate for the National Reconciliation Party and the closest rival



A crowd surrounding presidential candidate Francisco José Guerrero in Zacatecoluca, El Salvador.

of the front-runners, said that he didn't need the same security as his opponents. "The only security I travel with is my friends," he said. "But at some rallies, I put two people behind me who can protect me from any attack."

Mr. Guerrero said with a smile that from his point of view, the most violent part of the campaign was the verbal attacks between Mr. d'Aubuisson and Mr. Duarte. Each has painted the other as an extremist. To Mr. d'Aubuisson, Mr. Duarte is a "Communist," and to Mr. Duarte, his rival is a "Nazi-Fascist." Mr. d'Aubuisson, whose attacks have been the most severe, recently began to include Mr. Guerrero in the mudslinging. He accused the former Foreign Minister and chief aide to President Alvaro Magaña of being one of the country's most corrupt politicians.

### Names Can Hurt Too

Julio Rey Prendes, Mr. Duarte's campaign manager, said the verbal attacks had created a delicate security problem for his candidate. "For us the biggest danger is the Arena campaign to associate us with the guerrillas, it's really very dangerous," Mr. Prendes said. It is no secret in El Salvador that on several occasions, the victims of Mr. d'Aubuisson's verbal assaults have later turned up dead. A former high Salvadoran military official has told members of Congress and The New York Times that Mr. d'Aubuisson organized and continues to direct death squads. The official, who has asked to remain anonymous, also has implicated the former Defense Minister, José Guillermo García, in death-squad activity, and the present

one, Eugenio Vides Casanova, in a cover-up of the murder of four American churchwomen in 1980.

So far, the Christian Democrats have not received any direct threats against Mr. Duarte. However, Mr. Prendes said, some of their campaign workers in the countryside have been accosted by leftist insurgents who took their cars, loudspeakers and other campaign equipment.

Although none of the candidates have gone to a city controlled by the left to campaign, they have all traveled to eastern El Salvador, where they run the greatest risk of encountering the leftist insurgents. The candidates say they inform the local commanders, and so far none of the candidates has cancelled a rally because he expected trouble.

Mr. Panama, manager of Mr. d'Aubuisson's campaign, said that his party had received word indirectly that the leftist insurgents would attempt to kidnap Mr. d'Aubuisson from a meeting. To take extra precautions, he sometimes rents a helicopter to get to a rally in the countryside. Whether he travels by air or car, the candidate is followed by a contingent of friends, all of whom pack .45 caliber automatics and provide extra security.

"The number of friends who follow d'Aubuisson," Mr. Panama said with a laugh, "depends on where they are going." Despite all the precautions that the campaign managers take, the candidates are also led by their own whims. Mr. Panama said that Mr. d'Aubuisson generally travels in a motorcade through the city. At other times, he said, shrugging his shoulders, the politician will just jump in his car unexpectedly and slip off by himself.

## Verbatim: Honduras Observed

Two Senators recently visited Honduras and returned with sharply different views of the United States military role there. Senator Jim Sasser, Democrat of Tennessee, is the ranking Democrat on the military construction subcommittee. Senator Ted Stevens, Republican of Alaska, is chairman of the military appropriations subcommittee. Excerpts from their conclusions follow:

**Senator Sasser.** "The infrastructure is far larger and more permanent than would be necessary for normal exercises. Most of this construction has taken place without benefit of public debate or Congressional approval — a total of six airfields have been either improved or constructed... We should have learned our lesson about piecemeal backing into these situations around the world."

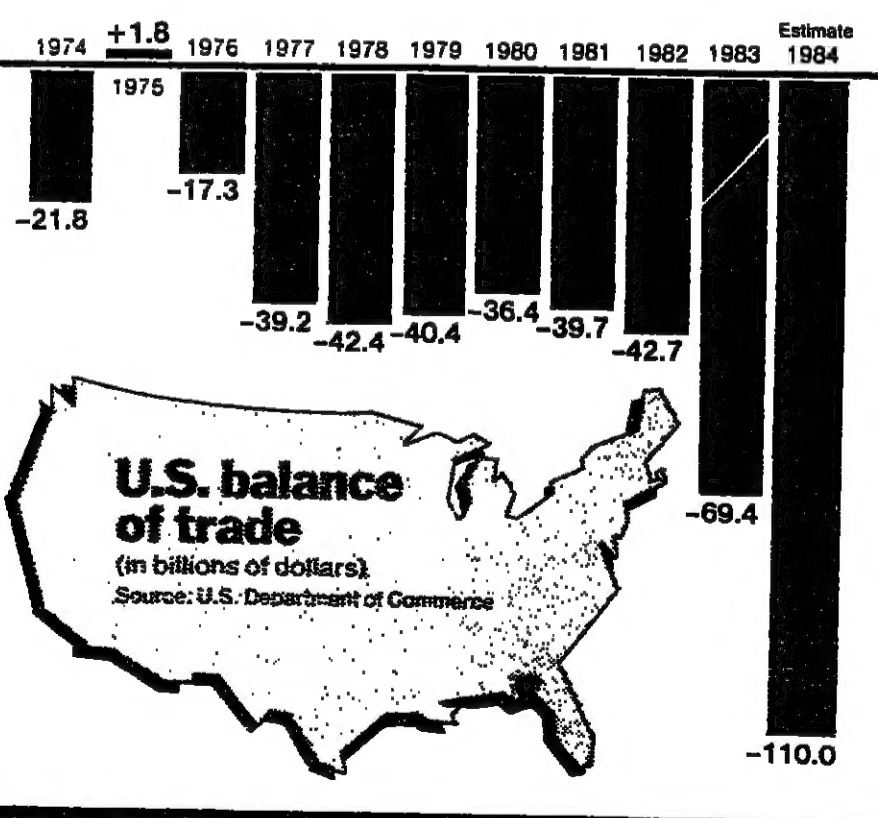
**Senator Stevens.** "There are two authorized and funded (air base) construction projects. The only other U.S. military construction is four primitive air strips, two temporary radar sites and wooden huts. Many of the temporary facilities are being dismantled (or) are rapidly deteriorating. Even if these present temporary improvements do lead to semipermanent facilities for annual training, what's wrong with that?"

## Democrats Blamed Overvalued Dollar Last Week for Huge Commercial Deficit

# Administration Talks Free Trade, Acts to Protect Industry



Brazilian steel being unloaded at the port of Houston.



By CLYDE FARNSWORTH

WASHINGTON — The Reagan Administration, facing an unprecedented trade deficit of more than \$100 billion this election year, has found itself on the defensive, caught between mounting demands for protection and charges that its economic policies are causing a decline in American competitiveness.

"The Administration has failed to devise a trade policy that can prepare our economy for continued, intense international competition, now or in the future," the House Democratic Caucus's Task Force on Trade contended last week. The report, and Democratic candidates on the hustings, laid much of the blame on the overvalued dollar, which "costs U.S. jobs, U.S. exports and investments in U.S. firms," the report said. The Administration's high budget deficits were behind the overvaluation, it added.

The charges touch a sensitive spot. Some officials in the Administration, including Martin S. Feldstein, chairman of the Council of Economic Advisers, and David A. Stockman, director of the Office of Management and Budget, share the view that the budget deficits and the dollar's high value are linked. Measures to reduce the budget deficit would "lower the real value of the dollar and thus allow the exporting and import-competing sectors to share in the recovery," Mr. Feldstein said in the Economic Report of the President that was sent to Congress last month.

However, Treasury Secretary Donald T. Regan, the Administration's chief economic spokesman, sees the high value of the dollar as a vote of foreign confidence in the American economy. He stresses the positive benefits in paring American inflation and producing bargains for American tourists abroad next summer.

One industry after another has come to the Govern-

ment for help against the flood of imports. They run the gamut — tuna fish, cut flowers, wine, carbon steel, shoes and machine tools. The Administration has provided partial protection for industries that wield the most clout. At the same time, it has carried the banner for free trade by promoting a new "Reagan Round" of international trade liberalization for later in the decade. Administration officials are hoping the proposal will get a big sendoff when the heads of the seven leading industrial powers meet in London in June for their annual economic summit. "A new round of trade negotiations represents new opportunities for economic growth for all nations," Bill Brock, the United States Trade Representative, said.

With an eye on domestic pressures, the Administration has already acted to hold down imports of specialty steel, textiles and apparel, as well as Japanese motorcycles and cars. Moreover, to try to head off legislation that would mandate quotas holding steel imports to 15 percent of the domestic market, the Administration has followed its "voluntary" agreements with Europe and Japan with strong signals that it would negotiate similar quotas with the leading suppliers from the third world, notably Brazil and Korea.

"The Administration is trying to cover its flanks against the potentially damaging charge that it is not addressing the workers' needs," said William R. Cline, senior fellow at the Institute for International Economics. William N. Walker, a trade negotiator in the Nixon Administration, said "the Administration will be responsive to domestic industry pressures so the Democrats won't be able to call them soft on trade."

Some of the lines have already been drawn. Two Democratic Presidential candidates, former Vice President Walter F. Mondale and Senator John Glenn, have supported the "domestic content" requirements that the Senate is due to consider this year. The bill, which has already passed the House and has the strong backing of the United Auto Workers, goes well beyond the protection for the automobile industry afforded by the Japanese quotas. It would require companies selling more than 100,000 cars a year in this country to use specific percentages of American parts and labor. The immediate effect would be a sharp reduction in Japanese cars available and an increase in automobile industry jobs. But many analysts believe that retaliation by foreign trading partners would wipe out more jobs in other sectors than would be created in automobiles.

Senator Gary Hart, another Democratic candidate, has sensed that the bill may be a two-edged sword. He originally supported it. But in his farm-belt campaigning, he called it "a disaster" for farmers. "If we cut Japanese auto imports, they will further reduce farm imports from us," he said. "In the long run, it will jeopardize jobs."

The Administration also opposes the bill; some of the President's trade advisers are urging him to veto it if it clears the Senate. But these officials are not certain whether he would follow their advice under the pressures of a tight race with a Democratic challenger who might charge that the President was "soft" on trade issues.

Protectionist actions already taken are causing high anxiety in Europe. For example, Edith Cresson, the California wine industry, has called demands by French vintners "absolutely inadmissible." The Californians contend that French exporters are being subsidized last month that measures under consideration in Washington could affect \$4.7 billion worth of European Community exports to the United States. The American action "could lead to a dangerous increase in trade restrictions and to a rapid erosion of the open multilateral trading system on which world prosperity depended," they added.



# The Robot Makers Stub Their Toes

After steep losses, U.S. companies are consolidating. But Japan already has a stronghold on the turf.

By JOHN KOLUSHA

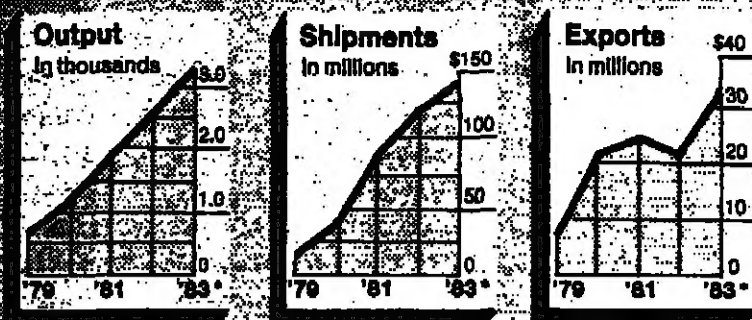
**KALAMAZOO, MICH.** THE American robot industry was to be a star of the '80's, even the savior of smogstack America. The advanced billing attracted an avalanche of companies over the last five years, newcomers that hoped to make money by building machines that could do some of the dangerous, dirty and dreary jobs now done by humans.

But the industry has failed to deliver on its promise. Robot sales have been far below expectations and the resulting competition has produced ferocious price cuts and the start of a sharp shakeout.

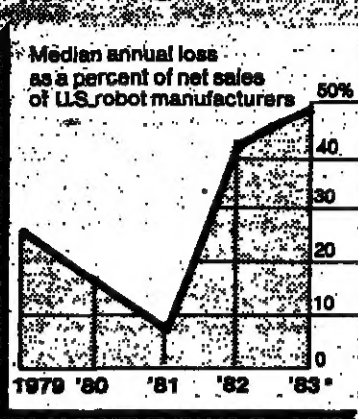
Only one American company, Prab Robotics Inc., based in this community 40 miles from Detroit, made money in sales of \$169 million. The industry has been losing money since 1979 according to the I.T.C.

And that were not gloomy enough, the future could be worse. American robot makers now face an invasion by what appear to be the most successful and aggressive robot manufacturers in the world: the Japanese.

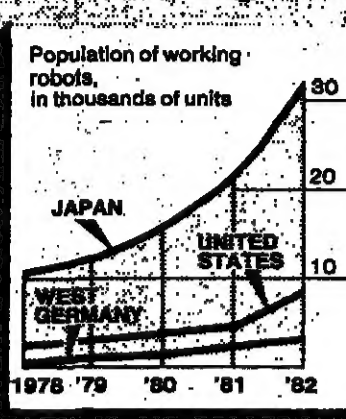
Though the U.S. industry is growing...



Losses Are Mounting



And Japan Is Far Ahead in Usage



The Robot Institute of America estimates that 65 percent of all operating robots in the world are made and used in Japan. The I.T.C. found that sales of American-produced robots increased by 10 percent last year. Meanwhile imports, mainly from Japan, but also to a far lesser extent from West Germany, Norway and Sweden, soared 92 percent.

Optimists say the industry's current

turnout is part of an inevitable shakeout. "We're in a consolidation phase," said Laura C. Conigliaro, a widely followed analyst with Prudential Bache Securities. "The first phase was during the 1960's to the mid-1970's and it was lackluster dull," she continued. "Then we had the high growth period of the late 70's and early 80's when everybody said, 'Let's enter the industry and make

lots of money.' Then the recession came along and they fell flat on their faces."

Still, Mrs. Conigliaro predicts a bright future for the survivors. "Some companies are going to develop real bottom line margins this year," she said. "I'd hate to try to say who owns the future, because I think we are in for some surprises, but the future looks good."

There are some, however, whose optimism is decidedly subdued. Walter K. Weisel, president of both Prab and the Robot Institute of America, said, "We're in danger of losing the infant robotics industry before it comes off the bottle."

If so, it all apparently began when an American company passed the technology to Japan. Unimation Inc.'s licensing of its robot technology to Kawasaki Heavy Industries in 1967 is generally considered the starting point for the development of Japanese robotics.

The Japanese industry developed quickly because there was a labor shortage in some rapidly growing industries such as automobiles, a receptive atmosphere for new technology and important assistance from the Government in the form of accelerated depreciation allowances and subsidized research and development. The result has been a generation of relatively inexpensive, reliable robots that have become much sought-after in other countries. There are about 250 robot makers throughout Japan, the largest being Matsushita Electric, Hitachi and Kawasaki Heavy Industries.

The problem for American producers, as the I.T.C. noted, is that demand for robots appears to have peaked in Japan. "Japanese robot producers usually look to export markets when sales in their domestic market fail to grow," said the report.

That move is well under way. A joint venture between General Motors and Japan's Fujitsu Fanuc Inc., for example, has produced GMF

robots as nonperforming, possibly driving their stock prices even lower.

"You certainly are making a judgment call on the direction of the debt crisis," Mr. McDermott said, discussing the purchase of major bank stocks. But he added a sentiment voiced by several other analysts: "I think it is manageable even for these banks. We see 1984 as a non-dangerous year. There has been substantial liquidity supplied to these countries."

Of course, there is not unanimity in the investment community. George M. Salem of A.G. Becker Paribas Inc. estimated that Mexico, Brazil, Venezuela, Argentina, the Philippines and Chile owe nine of the largest banks \$51 billion, nearly twice their shareholders' equity, or investment. "That's only six countries," he said.

Mr. Salem added that the write-offs have hardly begun. "The loans are of questionable value, yet the vast majority of them are being carried at 100 cents on the dollar," he said. "A 10 percent write-off on the loans to all troubled developing countries would eliminate one year's earnings for the typical money center bank, and I don't know if one year is enough."

Investors in the money center banks are also betting on interest rates — perhaps the biggest unknown on the economic front today. Many loans now follow the fluctuations of interest rates, so if the recent rate climb continues, banks should not suffer as much as they did when loan rates did not increase when rates rose. But higher interest rates could choke off the economic recovery, causing both a drop in the demand for loans and defaults by current borrowers.

Of the major banks, Morgan and Citicorp were recommended by all four analysts who were bullish on banks. According to Mr. Alpert, Morgan "is considered the highest quality money center bank in the industry." Citicorp, he added, "will eventually be perceived as a full-service financial organization, not just a bank, and be valued along with American Express, Merrill Lynch and Sears." Their P/E's range from 9 to 12. At the other end of the spectrum was Continental Illinois, which has had two years of turbulence and announced management changes last week. Mr. Alpert said for now, he was expecting "very disappointing earnings progress."

Big, money center bankshares look like good buys. But heavy overseas loan exposure may keep prices down.

also makes these big bank shares look appealing. The six largest New York banks, as well as Bank America and First Chicago, have all been trading below book value, with Chase Manhattan the lowest, at 59 percent.

Why, then, have investors not rushed in and bid up the price of these stocks? First and foremost, analysts blame lingering fears about international debt problems. "People had a scare, and they're not going to get over it overnight," said Mr. Cohn of Dean Witter.

Nonetheless, one of his recent reports proclaimed, "Debt crisis officially ended," and it has, no doubt, eased for now. Brazil recently received a fresh \$6.5 billion and Mexico appears to have benefited somewhat from a tough austerity program, lower interest rates and vigorous economic growth in the United States. Analysts also argue that the Federal Government is not going to gamble with the stability of the American financial system by forcing the banks to declare major loans worthless and pull back from other lending in order to regroup financially.

But as Mr. Cohn's report also noted, "There are still risks." Mexico has only postponed repaying more than \$20 billion in principal until the end of 1986. Brazil must run a record \$9 billion trade surplus this year to meet its financing needs. And Argentina is in the midst of an internal, highly political debate over the future course of its economic policy. Thanks to an abundant harvest, Argentina probably has the reserves to cover more than \$2.5 billion in interest payments that are owed to banks by the end of March. But some bankers question its willingness to cover the payments. If it does not, American banks will have to report the

## Wall Street Touts Bank Stocks

By MICHAEL BLUMSTEIN

**M**ILLIONS of Americans save in banks, and now, if you believe the reports that Wall Street is churning out, it may be time to invest in them, as well. To many analysts, the big money center banks are a buy, as their stock prices have been depressed by loan exposures to developing countries. But these shares may not be for the weak of heart, since their purchase is a sizeable bet on whether the banks will ever be repaid the billions lent to developing countries. And that may be unknown for years.

By the measure that is most commonly used to compare stock prices — the price-earnings multiple — the big banks certainly look cheap. For six of the major New York City banks, the recent market price divided by 1983 earnings per share was 6.5, according to Mansfield Stock Chart Service. That was about half the P/E of 10.7 for the Standard & Poor's index of 400 industrial stocks, Mansfield said.

Looking at individual stocks and 1983 earnings, J.P. Morgan traded at a multiple of 7 last week, Citicorp and Irving Bank at a multiple of 6, and Chase, Chemical New York, Manufacturers Hanover and Bankers Trust at 5. Using estimated earnings for 1984, which many of Wall Street's analysts prefer, some of the P/E's are as low as 4.5, compared with 8.7 to 9 for the S. & P. 400, according to Keefe, Bruyette & Woods, the bank stock specialists.

The P/E discount to the S. & P. 400 has been common in recent years, but it is now near the low end of its historic range. "These are cheap stocks," said Lawrence W. Cohn, an analyst at Dean Witter Reynolds Inc. In his "Bank Stock Commentary," Mark Alpert of Bear, Stearns & Company wrote recently in typical Wall Street jargon, "We believe the stocks still appear very attractive on a relative valuation basis." And at Keefe, Bruyette & Woods, James J. McDermott, the research director, said, "I think the money centers are especially interesting at this point."

Another commonly used measure to evaluate the price of stocks — market price as a percent of the book value that is figured by accountants —

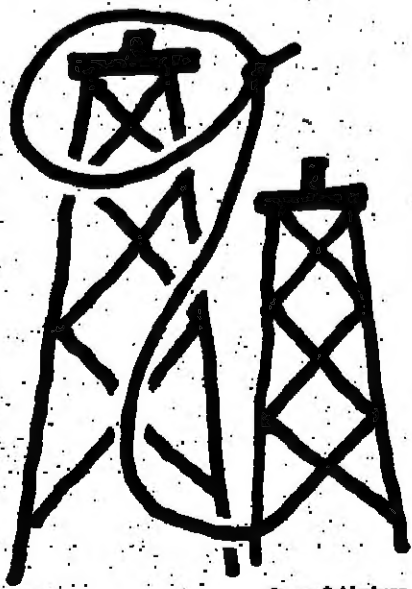
### WEEK IN BUSINESS

## A \$12 Billion Loan To Buy Gulf Oil?

Atlantic Richfield, with the help of Chase Manhattan and some 70 other banks, put together the biggest line of credit ever amassed — \$12 billion for the purchase of Gulf Oil. Wall Street professionals estimated that the offering price could range from \$72 a share to \$80. And while Arco and perhaps others were pursuing Gulf in earnest, Gulf was earnestly trying to avoid the clasp of T. Boone Pickens. The No. 6 oil company opened its books and confidential financial data to serious suitors, said to include Arco, Standard Oil of California and even Kolberg, Kravis & Roberts, the leveraged-buyout firm. A formal bid, most likely from Arco, is expected soon.

Meanwhile, Texaco shares continued to rise on the New York Stock Exchange in response to speculation linking to the Bass family of Texas, which currently holds nearly 10 percent of the stock. While the Basses have said nothing, rumors of some sort of move against Texaco have helped support the stock. But analysts estimated it would take about \$2 billion to buy Texaco.

was a week of takeover bids and merger proposals. As Thomas Mellon Evans said he would step down as chairman of Crane, the company announced that a group of investors had offered to pay \$350 million, or \$35 a share, for the company. The bid ex-



Stuart Goldstein

cluded the company troubled C&I Steel unit. Peoples Drug Stores agreed to a \$320 million acquisition by Imasco Ltd., a Canadian conglomerate. U.S. Industries said it received a buyout bid by its top management for \$400 million, while financier Carl Icahn surfaced again, with indications that he might bid again for ACF Industries.

McDermott Douglas had cause to rejoice. Not only did it renew its offer to buy Tymesare Inc. at \$307.5 million, or \$70 million less than its origi-

nal offer last year, but the company saw new life injected into its commercial jetliner operation. American Airlines ordered 67 of McDonnell-Douglas's MD-80 142-passenger airliners for some \$1.3 billion and secured an option to buy at least 100 more. The MD-80 is a large version of the company's highly successful DC-9. But orders had slowed so significantly in recent years that the company had orders for only 80 planes, equal to one year's production.

And what does American Airlines plan to do with the MD-80's? President Robert Crandall told securities analysts that the company will begin a low-cost carrier to compete with other low-cost airlines such as the newly launched Braniff.

"While the domestic economy continues to be strong, the trade deficit is an economic disaster," said Jerry Jasnowski, summarizing the week's economic news. The good news was the Government's index of leading indicators, which rose a hearty 1.1 percent in January, indicating that economic growth will continue strong into the near future. The bad news was the merchandise trade balance — goods exported minus goods imported. The trade deficit dipped to a record \$9.47 billion, far exceeding the \$8.4 billion record set last October. Primarily the cause of an overvalued dollar and the continued economic ex-

pansion, the deficit, economists estimate, will easily exceed \$100 billion this year.

Reacting favorably to a smaller-than-expected rise in the money supply and lower interest rates, the stock market finished the week higher. The Dow Jones industrial average rose 6.38 points to close at 1,171.48, as the Federal Reserve reported a \$1.7 billion rise in M-1 for the latest reporting week.

Some first steps toward raising taxes to lower the deficit began in the Senate Finance Committee and the House Ways and Means Committee. Ways and Means approved \$49 billion in tax increases over a four-year period, which included added or continued taxes on liquor, cigarettes and telephones. Meanwhile, the Senate panel set about closing the deficit by curtailing tax allowances for the purchase of new "luxury" cars (a blow to the real estate and construction industries) and extending the depreciation allowance on nonresidential structures to 20 years from 15. But late in the week, the House Democratic leadership warned it would hold up passage of the tax package until an overall strategy for reducing the deficit is reached with the Administration.

Nathaniel C. Nash

# The Economy

Robots, now the third-largest robotics company in the United States behind Cincinnati Milacron and Westinghouse Electric's Unimation operation. "Some of the largest firms in the United States have taken a shortcut to get into the business and have gone into offshore licenses, manufacturing agreements, joint ventures, etc.," said the I.T.C.

According to Jack Thornton, editor of the Robot Insider newsletter, major deals that have been struck with the Japanese, besides General Motors-Fanuc, include General Electric, which sells Hitachi robots, and International Business Machines, which imports robots from the Sanko Selki Manufacturing Company.

Industry analysts expect an increase in such joint ventures along with the withdrawal or failure of many American companies that rushed into an industry they did not fully understand.

"There are about 70 active participants in the business now and I would not be surprised to see that cut in half by the time this is all over," said Gerald Michael, a robotics specialist with the Arthur D. Little management consulting company.

American robot manufacturers, not surprisingly, see the rise of joint ventures with the Japanese as an ominous development, arguing that they tend to close off big markets at companies like General Motors to domestic robot makers. "If G.M. buys 1,000 machines from GMF, that's 1,000 orders for Fanuc in Japan," said Mr. Weisel, whose company's robots are largely designed for use in the auto industry.

So far, American industry seems to be more captivated by the prospect of selling robots than by the idea of using them — lured perhaps by the widespread prediction that robots would be a \$2 billion-a-year business in this country by the end of the decade. Even the United States Commerce Department has overshot the mark, estimating domestic sales of \$270 million for 1983, while the actual total reached only \$137 million.

The I.T.C. and even industry optimists are highly skeptical of the \$2 billion prediction. But the Robot Institute, the leading industry trade group, has swollen from 50 members in 1979 to 287 currently.

And this flood of entrants has produced a bruising scramble for sales, price cutting — the average price for a spot welding robot has declined from \$94,000 in 1981 to \$78,000 last year — and mounting losses, despite sales increases that continued even through the recession.

The consequences have been failures and consolidation. One industry leader, Unimation, for example, was acquired by Westinghouse in 1982.

In recent months the Copperweld Corporation, a Pittsburgh-based producer of specialty steels, announced that it would close its Copperweld Robotics subsidiary and sell its electronic vision system, which has been working on ways to give robots sight. In another instance, the Allied Corporation's Bendix subsidiary stopped manufacturing robots in this country, and has announced that its Bendix Automations Systems group would be sold to the Cross & Trecker Corporation.

Copperweld's experience is apparently typical of many companies that misjudged the market. The company acquired an existing robot manufacturer called Autoplace in 1979 because it saw an opportunity for rapid growth, according to Duncan Morrison, a company vice president.

"We found there was quite a difference between successfully managing

a specialty steel company and managing a high-tech company in an emerging industry," he said. "In the end we found that the fit wasn't right."

The auto industry has 50 to 60 percent of the approximately 10,000 robots at work in the United States and some operations, such as welding at most modern plants, is almost completely automated.

"I have three criteria for buying robots," said Richard Dauch, Chrysler's executive vice president for assembly operations. "First, if it helps me improve quality. Second, if it improves the employee environment by eliminating a dirty or dangerous job. And third, if it helps me to be more competitive on costs."

Consider, for example, the machines called "Samson" and "Goliath" by their co-workers. They are on the job 16 hours a day at Chrysler's Windsor, Ontario, plant, lifting 13-foot-long, 500-pound steel mini-van floors from one assembly line to another.

There are 125 robots at the plant, installed as part of an extensive renovation last year for the production of mini-vans. The machines are welding, spray painting and moving materials. There are even two that apply adhesive to windshield so they can be glued to the van body.

Without Samson and Goliath, both Prab Model FB's, Mr. Dauch said, a crew of two or three workers, each paid \$24 an hour, would be needed on each of two shifts to wrestle with the heavy, awkward mini-van floors. With humans doing the job there would be a risk of injury to workers and damage to the floor pans.

Regardless of who leads the industry, the next generation of robots will be a lot smarter than its predecessors and easier to use. Today's machines reach out blindly to a programmed point in space and go through their operation, regardless of whether there is anything there to work on. This has forced manufacturers to develop new and expensive carriers and assembly lines to position objects precisely for robot processing.

Just around the technological corner are robots with sensory capabilities, according to Robert Atkin, associate dean of Carnegie-Mellon University's school of industrial administration. A robot that can "see" by means of a TV camera or a laser beam or that can extend a sensitive probe to locate objects would lessen the need for precise positioning. Several makers are already offering units with vision capabilities, including a television system from ASEA Robotics Inc. that is a \$30,000 add-on to a \$60,000 assembly robot.

Mrs. Conigliaro said robots will be seen in the future less as a stand-alone technology and more as a component in flexible manufacturing systems that will be integrated by computers. The successful robot companies, she predicts, will be those that can put together entire systems for customers.

Still, for the short and medium term, the I.T.C. predicts the major growth market will be "simple machines which integrate human operators into the system." It notes that "research and development in the United States is largely directed at the design of more complex devices." And it concludes: "These machines, when developed, are likely to be expensive and serve a more limited market because of their price."

And who, according to the I.T.C., is in the best position to capture the growing market for simple, efficient, reliable and less expensive robots? The Japanese.

### The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED MARCH 2, 1984 (Consolidated)					Standard & Poor's				
Company	Sales	Last	Net Chng		Company	Sales	Last	Net Chng	
Gulf Cp	17,512,600	69 1/2	+ 6%		400 Indust	180.6	176.8	179.5	+1.56
Texaco	10,836,200	47	+ 5		20 Transp	140.8	136.1	139.9	+2.28
AT&T n	9,324,600	17 1/2	+ 1/2		40 Util	66.5	64.5	66.3	+1.80
Meat P	5,994,400	18 1/2	+ 1/2		40 Financial	17.2	16.9	17.2	+0.21
IBM	5,639,100	112	+ 3/4		500 Stocks	159.9	156.4	159.2	+1.73
Mobil	5,383,900	31 1/2	+ 1 1/2						
Occ P	4,811,900	111 1/2	+ 1						
Exxon	4,669,200	39 1/2	+ 1						
Hou NG	4,529,900	52 1/2	+ 4 1/2						
Ford M	4,500,600	39	+ 1 1/2						
Atl Rich	4,047,900	44 1/2	+ 1 1/2						
Tymehr	3,878,400	24 1/2	+ 9						
Phil Pet	3,836,400	43	+ 1/2						
Mid S Ut	3,830,900	14 1/2	+ 1/2						
Chryslr	3,609,200	28 1/2	+ 1/2						

Dow Jones				
30 Indust	1186.6	1148.2	1171.4	+ 6.38
20 Transp	526.9	503.6	520.5	+ 9.69
15 Util	130.7	124.2	129.3	+ 4.33
65 Comb	486.3	450.1	461.9	+ 5.99

The American Stock Exchange				
MOST ACTIVE STOCKS WEEK ENDED MARCH 2, 1984 (Consolidated)				
Company	Sales	Last	Net Chng	
GMCo	3,585,700	15 1/2	+ 1 1/2	
WangB	1,630,500	28 1/2	+ 1/2	
DomeP	1,423,800	3-7/16	+ 1/2	
DorGae	1,064,600	21 1/2	+ 1/2	
EchoB	790,500	9	+ 1/2	
BAT	781,700	2-13/16	+1/16	
TE	524,700	20 1/2	+ 1/2	
Dolmed	519,900	9	+ 1/2	
Andri	498,100	17 1/2	+ 1/2	
PetLow	433,400	7	+ 1/2	

MARKET DIARY				
	Last Week	Prev. Week		
Advances	1,307	982		
Declines	663	977		
Total Issues	2,232	2,213		
New Highs	68	30		
New Lows	117	252		

VOLUME (4 P.M. New York Close)				
	Last Week	Prev. Week		
Total Sales	473,444,290	4,339,171,838		
Same Per. 1983	505,487,290	3,864,979,838		

WEEK'S MARKET AVERAGES				
	High	Low	Last Change	
New York Stock Exchange				
Indust	107.3	105.3	108.9	+1.13
Transp	87.3	84.7	87.0	+1.24
Util	45.7	44.7	45.7	+1.03
Finance	90.3	88.4	90.1	+1.79
Composite	91.9	90.0	91.8	+1.18

MARKET DIARY				
	Last Week	Prev. Week		
Advances	500	374		
Declines	279	381		
Total Issues	908	904		
New Highs	25	12		
New Lows	37	74		

VOLUME (4 P.M. New York Close)				
	Last Week	Prev. Week		
Total Sales	33,335,830	292,416,955		
Same Per. 1983	45,661,130	388,663,180		



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## New Frontier or Familiar Fringe?

There's a familiar ring to Gary Hart's win over Walter Mondale in New Hampshire last week — or, rather, two familiar rings.

Is it a Sixties Parallel, as the graying young adults of the Baby Boom finally invent their own New Frontier and discover in Gary Hart their own Kennedy? Or a Seventies Parallel, as atypical young elitist Democrats lunge for someone with more novelty but less chance to win than mainstream Mondale? Suddenly, that's the choice the Democratic campaign has come down to, one that vindicates the nominating process that has evolved since 1972.

Most people thought the essence of New Hampshire would be: And then there was one. Had Walter Mondale won comfortably, the eight-man Democratic race would be effectively over. Instead, now there are five, or three, or, most likely, two. The first casualties were Alan Cranston, Ernest Hollings and Reubin Askew, the former Florida governor who reached his "last day and last mile" two weeks before the Florida primary.

Senator John Glenn will soldier on. He saw a silver lining in the New Hampshire result: it means a Mondale victory is not inevitable. George McGovern will stick around at least through Massachusetts, the one state he carried in 1972. The Rev. Jesse Jackson will stay to demonstrate his ability to motivate black voters in the South.

But the main event is Hart vs. Mondale. Not many days ago, Mr. Mondale had elevated his campaign bowtizers to a Reagan trajectory, lobbying rounds over the heads of his rivals, and New Hamp-

shire, at the President. Aides worried mainly that his rivals, armed only with arrows, not leave any sticking in his hide, the way George Bush did when he characterized the Reagan program as "voodoo economics." Now Mr. Mondale is forced to open up on his primary primary foe.

Senator Hart has ignited students and young adults in the tradition of Eugene McCarthy, Robert Kennedy, George McGovern, Jerry Brown and to some extent Jimmy Carter. To younger voters, he may stand for a new liberal equation, a welcome change from the old coalitions that Walter Mondale personifies. Do these younger voters portend the future, or remain only the fringe?

One reason Mr. Hart can successfully designate himself "new" is that most voters don't yet know much about him, including anything much negative. That's an information gap Mr. Mondale is already doing his best to fill, calling attention, for instance, to Hart positions on nuclear arms. Mr. Mondale, meanwhile, claims strong support from older, more traditional voters who may more surely typify mainstream America.

In short, it's a dogfight, something many people thought impossible under the Democrats' new process of choosing a large proportion of nominating delegates early. The more inevitable a Mondale win seemed, the more they blamed this "front-loaded" system for the boredom — as though it was preferable for bosses to pick the nominee through convention manipulations.

It turns out that scheduling many primaries and caucuses early in the campaign need not obstruct underdogs. It's not boring now.

Recent articles on your Op-Ed page by Rita Hauser (Feb. 8) and Lincoln Bloomfield (Feb. 19), calling for an end to Lebanon's crisis through direct U.S.-U.S.S.R. negotiations, and U.N. military intervention, respectively, incorporate the guiding principles of the 19th-century Great Powers in solving similar problems in that country.

Throughout the last century's middle decades, the five powers that made up the Concert of Europe confronted a series of crises in Lebanon which threatened to undermine the global balance of power. These upheavals adumbrated those experienced by Lebanon over the last decade: foreign occupation (by Egypt, 1831-1840), naval shelling of Beirut (by Britain and Austria, 1840) and bloody civil wars, with factions backed by rival powers (1841 and 1860).

In coping with these difficulties, the Concert maintained the principle that solutions be sought through negotiations between the powers themselves. Two major conventions were held for this purpose, in 1840 and in 1860.

The Concert first accepted Count Metternich's plan for the partition of Lebanon into Christian and Druse mini-states, each with a council comprised of representatives from the various confessional groups. After the collapse of this arrangement in 1860, French forces operating under a time-limited Concert mandate were dispatched to Lebanon to enforce a cease-fire and to disarm the militias.

Subsequently, Lebanon was placed under the administration of a non-Lebanese Ottoman Christian (the

men who want to keep construction costs high often encourage unreasonable building standards. Zoning often excludes minorities in the guise of protecting property values. Landmarking has sometimes been pushed by groups that want more light and air.

Government regulation would be grossly abused if city officials are frightened into excluding an otherwise legal delicatessen on Park Avenue. Its facade should obviously meet the landmarks standards for architectural context. The health code, the sidewalk use ordinances and other regulations should also be enforced, but not waved about to alarm the neighborhood against a legal tenant.

As for chocolate, Mrs. Bernstein's taste is her constitutional right. But the city has no right or business imposing that taste on her neighbors. They will presumably reward or punish the storekeeper in the time-honored fashion, for his service and skill at discerning what the neighborhood wants.

The figures speak for themselves. This year's total exceeded the previous record by almost 35 percent. Important as the money is, so are the sentiments that prompted contributions. A New Jersey principal sent \$7.25 realized by the fourth grade's cake sale, saying, "It may not be a lot of money, but it sure was a lot of heart."

The Times feels privileged to have again presided over this appeal and is confident of the gratitude the beneficiaries feel. Although this year's appeal has now ended, deprivation continues. The task of alleviating it knows no season, and the Fund will continue its work.

Contributions and bequests are welcome at any time and will be credited to the 73d campaign that begins officially in December. Such tax-deductible gifts should be sent to The New York Times Neediest Cases Fund, P.O. Box 5193, General Post Office, New York, N.Y. 10087.

## Letters

### U.S. Ready to Restart Start This Election Year

To the Editor:

I would like to endorse and reinforce Jonathan Moore's thesis that there still may be an opportunity to reach an arms agreement this year ["The Re-election Value of an Arms Initiative," Op-Ed Feb. 22].

Mr. Moore correctly points out that the Administration has laid the groundwork through its strategic modernization program, which now allows us to pursue serious negotiations. I would add that this modernization of our deterrent capability could reinforce the position of those Soviet leaders who believe it is in the interest of the Soviet Union to engage in serious negotiations.

President Reagan's potential opponents for the Presidency, as Mr. Moore points out, are trying to position themselves on the side of the angels on the arms control issue. Arms control is indeed an attractive target of opportunity for those candidates.

I believe one must ask, however, whether many of their ideas are practical. Those who might let their desires for public acclaim drive policy judgments run the risk of undermining the objectives they would ostensibly serve.

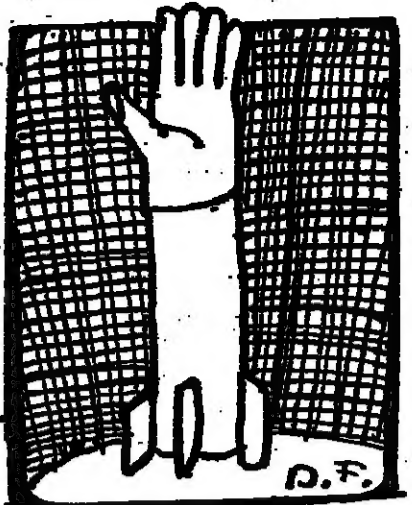
One place where Mr. Moore and I perceive things somewhat differently is in regard to the exercise of leadership in arms control.

I can attest from my personal involvement that President Reagan has taken, and is taking, a direct hand in arms control policy. As his principal agent for carrying out strategic arms control policy, I have met with the President on dozens of occasions. I have seen him ponder the options before him in this most difficult area.

Adding another person as a kind of arms control czar would only introduce more bureaucracy, and possibly delay negotiations. It would in no way relieve the President of the requirement to make decisions that involve judgments he and he alone can address.

Our position on Start [Strategic Arms Reduction Talks] calls for reductions on both sides of about a third of our existing ballistic missile warheads to lower, equal levels, and we have modified it to meet the main concerns the Soviets have expressed. Since the beginning of Start, the

President has allowed me flexibility to explore alternative solutions. More recently, the President authorized me to offer trade-offs in areas where we have an advantage for areas



where the Soviets have an advantage. The initiative Mr. Moore suggests has in fact been taken. What we now need is a Soviet response.

(Amb.) EDWARD L. ROWNY  
Washington, Feb. 23, 1984  
The writer is the chief U.S. strategic arms negotiator.

### Nix on 'Nik'

To the Editor:

It is surprising that William Safire, with his keen ear for contemporary language nuances, should be so far off the mark in his column of Feb. 24 on campaign diplomacy. To quote: "For the Democrats, getting right on the peace issue means dissociation from the freezest extreme while subtly pressing the theme of a need for 'a safer world.'"

The "nik" suffix, with its subliminal made-in-Russia overtones, was applied to "freeze," and also "peace," during the heyday of President Reagan's election victory in an effort to relegate proponents of these objectives to the lunatic fringe of the political spectrum. In recent years, however, it has become passé. Freeze no less than peace is now a perfectly acceptable American noun. This evolution is obscured by two

major inaccuracies in the above-quoted sentence:

• It is incorrect to characterize a position approved, 2 to 1, by the House of Representatives and, according to a recent poll, three-quarters of the American people as "extreme."

• It is equally incorrect to characterize the Democratic candidates' strenuous competition for the freeze vote as a strategy of "dissociation" from the (in Mr. Safire's lexicon) "freezest extreme." With the single exception of Askew (who has since quit the race), all candidates have endorsed the freeze (the four Senators supported it in the Senate vote last spring), and many of them, including the present front-runners Mondale and Hart, have made it a number one issue in their campaigns.

Mr. Safire should brush up on his "Modern American Usage."  
MARGARET MACG. GULTON  
New York, March 2, 1984

### Democrats, Awake!

To the Editor:

Most of the contestants for the 1984 Democratic Presidential candidacy are good men and would do a vastly better job than the incumbent. But why do they prevaricate and with one exception avoid the prime issue of our time, nuclear war? They mention it among other things, but why do they not give us confidence in revealing that they know it is the most urgent, the most fateful subject of all history?

Nuclear war would obliterate all government, all culture and possibly all human life. The endless chatter on the economy, the promise on jobs, welfare, continuance, defense, justice and other aspects of our existence, including concern for the environment, is meaningless in the face of the universal catastrophe.

There are two ways to minimize the threat of nuclear war: (1) assure a resounding defeat of the Reagan Administration, and (2) let his successor give absolute priority to the reaction and elimination of nuclear arms.

This appears simplistic and perhaps naïve. Has anyone a better solution? When will the candidates wake to reality?  
ANSEL AMES  
Carmel, Calif., Feb. 25, 1984

### Lebanon Needs Another Concert of Europe

To the Editor:

Recent articles on your Op-Ed page by Rita Hauser (Feb. 8) and Lincoln Bloomfield (Feb. 19), calling for an end to Lebanon's crisis through direct U.S.-U.S.S.R. negotiations, and U.N. military intervention, respectively, incorporate the guiding principles of the 19th-century Great Powers in solving similar problems in that country.

Throughout the last century's middle decades, the five powers that made up the Concert of Europe confronted a series of crises in Lebanon which threatened to undermine the global balance of power. These upheavals adumbrated those experienced by Lebanon over the last decade: foreign occupation (by Egypt, 1831-1840), naval shelling of Beirut (by Britain and Austria, 1840) and bloody civil wars, with factions backed by rival powers (1841 and 1860).

In coping with these difficulties, the Concert maintained the principle that solutions be sought through negotiations between the powers themselves. Two major conventions were held for this purpose, in 1840 and in 1860.

The Concert first accepted Count Metternich's plan for the partition of Lebanon into Christian and Druse mini-states, each with a council comprised of representatives from the various confessional groups. After the collapse of this arrangement in 1860, French forces operating under a time-limited Concert mandate were dispatched to Lebanon to enforce a cease-fire and to disarm the militias.

Subsequently, Lebanon was placed under the administration of a non-Lebanese Ottoman Christian (the

mutassarif), and confessional representation in a united council was made to conform to demographic realities. The mutassarifate gave Lebanon a half-century of peace; it was abolished by the Ottomans in 1914.

The Concert operated according to principles that have not been fully grasped by the powers of today:

• Partition of Lebanon is unworkable.

• Disarming the militias is a prerequisite for any solution.

• Confessional representation must be accurately proportional.

• Lebanon, having suffered years of internecine turmoil, must enjoy a period of impartial leadership.

• International agreements are necessary to guarantee all of the above.

Most significantly, the Concert realized that stability in Lebanon was too important to world peace to be left to the Lebanese alone.

The Concert was the United Nations of its day; the French army, the U.N. peacekeeping force. The current Lebanese crisis might have ended differently if, instead of Lebanon's warlords, today's great powers had assembled in Geneva as they once did in London and Paris. Indeed, even more might have been gained — both Concert conventions resulted in Anglo-Russian rapprochement.

As it is, America's handling of Lebanon may be summed up by a corollary to Santayana's maxim: Those who ignore history's successes are doomed not to repeat them.

MICHAEL BORNSTEIN OREN  
Princeton, N.J., Feb. 20, 1984

### The Uncertainty of Capital Punishment

To the Editor:

As your recent editorial (Feb. 25) suggests, it is, ultimately, the finality of capital punishment which makes it most frightening. In a century that has seen millions marched to their death and countless more die through indifference to poverty and hunger, to insist that the death penalty is "cruel or unusual" in any empirical sense is simply to strain credulity. Nor would the device of proportionality review, while regrettably rejected by the Supreme Court, have been any more than a purely procedural palliative (recalling, in fact, a player's remark about Vince Lombardi: "He treated us all equally — like dogs").

Instead, proponents of the legal system's consistent capacity properly to impose such punishment should consider the insight of two of the system's leading lights. Judge Learned Hand

(himself incorporating a counsel of Cromwell's) advised: "I beseech ye in the bowels of Christ, think that ye may be mistaken." I should like to have that written over the portals of every church, every school, every courthouse, and, may I say, of every legislative body in the United States. I should like to have [them all] begin 'I beseech ye . . . think that we may be mistaken.'"

Human fallibility being what it is (a sure thing), the real question is not whether some people deserve to die — assume that they do — but rather how, in good conscience, we can ever entrust ourselves with such a judgment. "Certainty," wrote Holmes, "is illusion," and "repose is not the destiny of man."

STEVEN D. OSTERMAN  
New York, Feb. 27, 1984  
The writer is with the legal staff of the American Civil Liberties Union.

### Spring Forward-looking

To the Editor:

We are now experiencing as much daylight as we did the last week of October, when we still had daylight time, but we must wait 10 more weeks before we can enjoy the later sunlit evenings. Do you think that in our lifetime we might get the Congress to change the span of daylight time? It is one pleasure of life that you anyone a cent.  
DIXON  
Kingston, N.Y., Feb. 27, 1984

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## Zoning for Good Chocolates

Mrs. Shirley Bernstein lives at Park Avenue and 75th Street, an expensive New York address, and she does a public service in urging officials to make a new delicatessen across the street from her conform to building, zoning and landmark laws. But she leaves the law behind when she also demands a store selling Swiss and Belgian chocolates but not fruit and American cheese to unwelcome people. New York's laws are not intended to make such distinctions.

Building laws protect the public against the obvious hazards of fire and structural collapse and subtle dangers of disease. Zoning regulations keep buildings from invading each others' light and air unfairly and exclude a variety of predetermined nuisances. Anti-discrimination laws prohibit discrimination. Landmark laws keep alive the values of the past.

Any of these regulations can be abused. Crafts-

## A Heartening Summation

The general upturn in the economy did not fool the nearly 13,000 individuals who, in the past three months, contributed with unprecedented generosity to the 73d annual appeal of The New York Times Neediest Cases Fund. They realized that, even as unemployment declined and the recession faded, an intolerable number of unfortunate people were still left in the cold. Perhaps the contribution of a record total of \$2,540,501 was inspired by this self-evident contrast.

Many letters suggest that this was so. "This season," wrote one donor who works for a relief organization, "local needs have been many, with the 'working poor' asking for help for the first time. Economic improvement has not trickled down to many, and never will for some." Or, as another contributor wrote: "It is heartbreaking to see so much deprivation and suffering among such wealth and privilege."



# Don't Fear Palestinian Talks

By Harold H. Saunders

WASHINGTON — It has recently been revealed that an intermediary of the Reagan Administration held exploratory talks with the Palestine Liberation Organization in 1981 and 1982. Instead of saying that it was performing a useful service by mediating between Israelis and Palestinians, the White House acted guilty of some wrongdoing. This was a mistake.

Talking with the Palestinians will not guarantee peace. But there will be no peace without an Israeli-Palestinian negotiation. Developing common ground for negotiation requires talking with Palestinians who can negotiate. Those who block talks may fear negotiation.

Responding to the disclosure, a House subcommittee voted Tuesday to increase aid to Israel and amend the Foreign Assistance Act to say: "No officer or employee of the U.S. Government and no agent or other individual acting on behalf of the U.S. Government shall negotiate with the Palestine Liberation Organization or any representative thereof." With this, Congress walked away from our responsibility to help bring Israelis and the Palestinians to negotiate with each other.

Harold H. Saunders, resident fellow at the American Enterprise Institute for Public Policy Research, was Assistant Secretary of State for Near Eastern and South Asian Affairs from 1978 to 1981.



A group of moderate Israelis have met in recent months with P.L.O. representatives and Palestinian intellectuals and both have agreed on a three-point formula: Mutual and simultaneous recognition of both peoples' right of self-determination is the first step toward peace. Israel should talk peace with anyone who accepts that principle. The Palestinian-Arab nation must decide for itself what form it will take.

One-third or more of Knesset members are thought to be open to such a formula, although it is not the Israeli Government's position. Why does the Government fear negotiation?

An Israeli commitment to negotiate would automatically put Israel in a situation where the only reasonable outcome has to include some withdrawal from the West Bank and Gaza, as was agreed at Camp David. The Israeli Government's stated objective now is to keep all that territory. Yet Israel remains committed to Camp David — despite the fact that Prime Minister Yitzhak Shamir, then

in the Knesset, voted against it. It requires, among other things, a negotiated solution of the Palestinian problem.

Before Israel can talk to Palestinians, however, two questions must be answered: Who speaks for the Palestinians? What is the authoritative Palestinian position on recognizing and negotiating with Israel?

Henry A. Kissinger agreed with Israel in 1975 that the United States would not recognize or negotiate with the P.L.O. until it accepted United Nations Security Council Resolution 242, which speaks of Israel's right to exist. That 1975 agreement modified a much more restrictive Israeli draft so as not to preclude exploratory talks. The House subcommittee ruling is a misinterpretation of Mr. Kissinger's agreement.

In fact, we have been exploring the Palestinian position for some time. In 1977, when the Carter Administration was preparing to resume the Middle East peace conference in Geneva, it used several Arab officials to probe

the P.L.O. position. At the time, some Israelis seemed willing to accept P.L.O. representatives sitting with an Arab delegation in Geneva. When Camp David pre-empted the Geneva talks, Israel and Egypt agreed to include elected representatives from the West Bank and Gaza in negotiations about the future of the territories. And after Camp David, Palestinians interested in joining those talks suggested that the P.L.O. might informally "deputize" them to give them a broad negotiating mandate.

Mainstream P.L.O. leaders today say that they are prepared to live at peace with Israel in their own state in land vacated by Israel. They could accept the three-point formula. But to their disadvantage, they have not stated this position unequivocally. Why?

One reason is that the Palestinian movement, like Israel, is divided between those who would negotiate peace and those who are more inclined to seek a military solution. In that situation, P.L.O. leaders fear to negotiate unless they are sure that it will produce a just settlement. When the Administration refuses to talk with them and Congress increases aid to an Israeli Government that rejects President Reagan's peace initiative, P.L.O. leaders doubt whether we can assure a fair negotiation. They want to know our intentions.

Talking with Palestinians to produce negotiation is a two-way street. We need to understand their position — and if they are prepared to negotiate, they must say so unequivocally. But before they do, they must be confident that Washington is committed to fair negotiations that recognize both Palestinian and Israeli rights, as we agreed at Camp David.

The issue is not whether we should talk with Palestinians. The issue is to how establish terms for negotiation so, physically, fairly, that they compel leaders on both sides to negotiate.

WASHINGTON, March 3 — The big winner in the New Hampshire Presidential primary election was not Senator Gary-Have-A-Hart, but President Ronald Reagan.

For anything that keeps the Democrats fighting among themselves and diverts them and the voters from analyzing Mr. Reagan's record for the next couple of months is precisely what the President and the Republican Party want.

Mr. Reagan's record is the most vulnerable target the Democrats have had since Herbert Hoover ran against Franklin Roosevelt in 1932. The facts of his age, his budget deficits, his interest rates, his unemployment, his persistent contradictions and his reckless rhetoric and alarming misjudgment of foreign policy are clear to anybody who will take the trouble to consider the facts. But all this takes time, and since New Hampshire, time is on the Republicans' side.

What the Republicans feared most was that a united Democratic Party behind a consensus candidate could, early in this election year, separate Reagan's genial personality from his policies, compose the Democratic differences, mobilize their talents, define their policies, and concentrate on the future.

What the New Hampshire primary did was to divide the Democrats and assure that Messrs. Mondale, Hart, Glenn, McGovern and Jackson will be cutting up one another in a prolonged struggle in the primaries, leaving the President free to preside over a united Republican Party and to dominate the larger questions of the world with his forthcoming trips to China, Europe and perhaps a summit meeting with the new Soviet leaders.

Much will depend, however, on whether the remaining Democratic candidates concentrate their fire on one another in order to win the nomination, or whether they focus on beating Mr. Reagan in November.

Mr. Mondale's defeat in New Hampshire may be no more significant than his victory in the Iowa caucuses. These states, despite all the thunder, are about as representative of the nation as the lightning-bug is to the lightning. They are not the beginning of the end, but the beginning of the beginning.

Mr. Mondale is still Mr. Reagan's principal challenger. He has more experience, more money and organization in the big electoral states than Messrs. Hart, Glenn, McGovern or Jackson, and the best chance of holding the old Roosevelt coalition together in the industrial states that have the most delegates and electoral votes.

The Republicans are trying to depict him as a clone of Jimmy Carter, and even his Democratic opponents are denouncing him, like Mr. Reagan, as a man of the past who is backing into the future. But they may misjudge and underestimate him.

Mr. Mondale will gather the support of the labor unions, the teachers, the blacks and the Hispanics, but when the chips are down, the guess here is that he'll be a patsy for none of them.

He will have trouble in the South. He's not out of Jimmy Carter's Georgia, but out of the populist Upper-Middle West tradition of the LaFolletts in Wisconsin and the Farmer-Labor battlers in Minnesota, and when he's in trouble, as he now is, the guess here is that he'll fight and probably prevail.

Gary Hart probably did Mr. Mondale a favor by wallowing him in New Hampshire. Mr. Mondale assumed he could win by organizing the constituencies of the old Roosevelt coalition, but oddly, he forgot the young who responded to Mr. Hart's cry for "new ideas," even though Mr. Hart's ideas were not all that new.

Nevertheless, Mr. Hart touched something that may be critical in this election. Namely that the problems for the United States in the rest of the 1980's and the century may be quite different from the problems of the past: that all relations between nations, between management and labor, between the races and the sexes may require new thought and new ideas, and force us to think anew as our problems are new.

This is the main hope for the Democrats in this election. They cannot beat Mr. Reagan's personality or compete with him on television. They have to make clear that this is not a beauty contest, but an election about policies in a changing world.

What this means is a debate this year about the control of nuclear weapons, about improving the nation's work habits and competitive position in the world, about the reduction of our alarming debts, and about the education of our children.

This is the challenge of the Presidential election. It is not merely an analysis of the past — important as that is — but a bet on the future. It is not mainly a struggle between Messrs. Mondale, Hart, Glenn, McGovern and Jackson but a challenge to the American people to wake up and think about who will guide the nation into the last years of the century, who will appoint the new justices in an aging Supreme Court, who will restore confidence in the Western alliance, and who will defuse the crisis in U.S.-Soviet relations.

# Retain Tax Indexing

By Floyd K. Haskell

reach of bracket creep. There are no higher brackets to creep to. Any increase in their income will automatically be taxed at the same rate as in the previous year.

But the pressure on Congress to reduce our staggering deficits is immense. Already Ernest F. Hollings, a former Democratic candidate for President and an influential member of the Senate, is advocating deferring indexing for a few years.

Let my party beware. Indexing of tax rates may be a Republican idea, but it is sound budgetary practice and its repeal would be unfair to the overwhelming majority of taxpayers.

To many in Congress, repeal of the indexing provision looks like an easy out. Having been there, I can hear it now. Some will rationalize that since indexing doesn't take effect until 1985, its repeal takes nothing away. Furthermore, indexing does deprive Congress of one of its greatest pleasures — reducing taxes. Many may long to hang on to the good old days that they see passing in the new year. On occasion, in the 1970's, Russell B. Long, then chairman of the Senate Finance Committee, would close a meeting with: "Remember, tomorrow we spread the joy!" All of us on the committee were reminded that the first order of business the next day would be to consider reducing taxes. Reduce them we did, but barely

enough to adjust for bracket creep!

Of course, there will be serious arguments for repeal. At a Finance Committee hearing in the late 1970's, then Secretary of the Treasury Michael W. Blumenthal was asked whether he favored indexing. He responded by quoting the finance minister of Brazil who, he said, told him, "Mike, whatever you do, stay away from indexing."

Brazil, then as now, had runaway inflation. Obviously, the finance minister was not contending that indexing caused inflation. His concern, like Secretary Blumenthal's, was that indexing eases the pain of inflation, thus making it less likely that voters will bring pressure on their governments to do what may be necessary to bring inflation under control. No doubt in coming months this argument will be forcefully advanced as a reason to repeal tax rate indexing.

It certainly may have validity when applied to indexing as a whole. But, in this country the Federal Government indexes payments to Social Security recipients and other retirees. In labor contracts, wages are often indexed, by tying them to the Consumer Price Index. In long-term supply contracts, it is customary to index, by tying the price of the product sold to the Wholesale Price Index.

If Congress wants to outlaw indexing entirely, that's one thing. But there is no valid reason for singling out tax rate indexing. Indeed, a broad range of budgetary and tax experts, of all political stripes, including the former director of the Congressional Budget Office, Alice M. Rivlin, agree that the tax provision is sound.

Without question, budget deficits are a major national concern. To be sure, taxes may have to be raised. But, if so, let Congress face the issue directly and raise them for the affluent Smiths, as well as the middle-class Joneses. The provision should stay.

The world has changed. Communications are immediate. Nuclear parity forbids the big powers to make use of their great force. The spread of modern weaponry enables little countries to weigh on local situations a lot more heavily than their actual strength represents.

And the peoples of the West have had their fill of blood, gore and destruction. There are still parts of the world where war is considered heroic, the noblest proof of manhood and nationhood. But others sagely look down on them as backward.

Syria won this round in the battle for the fate of Lebanon because Moscow's guarantees against direct U.S. attack have given its tough President Assad a sense of impunity. Everyone in the region knows that the bomb-size shells of the battleship New Jersey can do a lot of damage but they can't control the land and the people.

The display of force and the attempt to use it antispectically, without risk, no longer really impresses those who are determined to fight back. We only fool ourselves.

The sensible course is to stop pretending and seek political solutions where possible, and step aside when we can't prevent others fighting. The U.S. is too important to the stability of the world to blow away its influence in empty bluster.

# AN OPEN LETTER TO WEST GERMANY: "DON'T ARM SAUDI ARABIA"

Ambassador Peter Hermes  
Embassy of the Federal Republic of Germany  
4645 Reservoir Road, N.W.  
Washington, D.C. 20007

Your Excellency,

We the undersigned, Christians and Jews representative of various segments of the American arts community, have watched with great interest Germany's return to the community of democratic nations during this past generation. The nature of that return had given us hope that in the aftermath of the Nazi Holocaust we would never again be witness to a Germany which would become involved, directly or indirectly, in any action which could again jeopardize the lives of Jews anywhere.

We are therefore deeply pained to learn that the German Government plans to sell advanced and sophisticated war planes, tanks, missiles, and electronic communications systems to Saudi Arabia, a regime which has declared a *jihad* against and continues to be in a state of war with the people of Israel, and which is unequivocally committed to the extinction of Israel.

We cannot help but associate these German arms in Saudi hands aimed at the hearts of Jews with an earlier time when German arms were instrumental in the destruction of so many.

We cannot forget that the Saudis financed and participated in every Arab military venture against the Jews in Israel and deployed its wealth and its armies in an effort to destroy those who survived the recent holocaust.

Because of its recent unspeakable crimes of genocide against the Jewish people, Germany carries a unique moral burden in matters affecting the future well-being of Israel or Jews. More than any other country, Germany must act in nobler fashion and display a greater conscience than others.

We ask of the German people — its religious leadership, its academics and artists — to raise their voices to prevent this contemplated action. We appeal to the officials of the Federal Republic of Germany to reconsider their current plans of sending munitions to Saudi Arabia, which could again threaten the survival of the remnants of the Jewish people.

We respectfully request that you bring this communication to the attention of your Government.

Cleveland Amory  
Ed Asner  
Saul Bellow  
Ellen Burstyn  
Jill Clayburgh  
Cy Coleman  
Betty Comden  
Jean D'Arcy  
Lucy Davidowicz  
Colleen Dewhurst  
E.L. Doctorow  
Howard Fast  
Jane Fonda  
Lois Gould  
Chaim Gross

Lionel Hampton  
John Hersey  
A.E. Hotchner  
Celeste Holm  
Irving Howe  
Jack Levine  
Norman Mailer  
Bernard Malamud  
Arthur Miller  
Michael Moriarty  
Louise Nevelson  
Cynthia Ozick  
Joseph Papp  
Itzhak Perlman

Norman Podhoretz  
Chaim Potok  
Robert Rauschenberg  
Bayard Rustin  
Robert St. John  
Murray Schisgal  
Beverly Sills  
Isaac Bashevis Singer  
Raphael Soyer  
Maureen Stapleton  
Mary Travers  
Pauline Trigere  
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# FOREIGN AFFAIRS

# The Use of Force

By Flora Lewis

after the wrong-headed attempt to remake Lebanon, added to the harmful consequences for America in the Middle East.

The fact is that three years after the Administration announced it was making a "test case" of El Salvador, expecting a quick, inexpensive victory, the guerrilla war rages on and is coming to engulf Central America.

The curious, central fact is that an Administration which much of the world perceives as militaristic in its foreign policy has made a minimal use of force. The one exception was Grenada, where five times as many marines were sent on an essentially simple operation than were plopped into the Lebanese imbroglio. Tiny Grenada was the one success.

No doubt the Congress and the U.S. military establishment, reluctant to invest heavily in dubious adventures, have had a lot to do with this salutary restraint. But it isn't clear that President Reagan would have wanted otherwise.

The characteristic of his decisions has been to make a vast show of force on the premise that would make more than extremely limited engagement unnecessary. He has done it with a massive fleet off Lebanon, off Honduras, and near the Persian Gulf. It is

PARIS, March 3 — President Reagan has proclaimed that the U.S. is "standing tall" and can now deal with the Soviets in self-confidence. He says American might has been restored and Moscow has seen that the U.S. is not afraid to use force when it chooses.

This is a peculiar reading of what has actually been happening and what Mr. Reagan has done. Mirror-tricks may be used either to frighten or to exhilarate the American public but they don't change the real world and its intractable problems. On the contrary, they weaken our capacity to deal wisely with facts.

The fact is that except for deployment of a few American missiles in Europe, the military balance hasn't changed. Whether they are really needed or not, and I think not, the big new weapons planned haven't begun to come off production lines and it will be years yet before they are operational.

The fact is that the U.S. has suffered a resounding setback in the Middle East. It has pulled out of Lebanon without huge casualties, which is a lot better than not pulling out and plunging into another tragic Vietnam-type frustration. But that cannot transform a policy failure into a success.

The big mistake in Lebanon stemmed from the Israeli invasion in 1982, and Washington's willingness to grasp at Gen. Ariel Sharon's mad dream of installing a strong, friendly, Christian central government in Beirut. The proof of his disconnection from reality is that he has just told David Shipper, *The New York Times* Jerusalem correspondent, that he still believes it possible.

But U.S. policy compounded the errors even after Jerusalem came to realize them. The nebulous "strategic consensus" accord with Israel, concluded in an attempt to dissuade it from drawing obvious conclusions



# New York Salutes Toshiro Mifune

By CLYDE HABERMAN

Toshiro Mifune has played samurai in so many films that it seemed reasonable to expect a Japanese feudal artifact or two to adorn his office, an old robe, perhaps, or a sword.

Nothing. Not even a discreet little knife.

Instead, there were plaques on the walls and modern prints. Comfortably surrounded by them, Mr. Mifune sat back in his chair the other day, inserting a filter-tipped cigarette into a holder. In his brown turtleneck, which he wore underneath a light sweater with elbow patches, he looked more like a businessman contemplating his golf game.

"It only seems that I always play samurai," he said, and then he laughed, not so much out of amusement as to fill a gap in the conversation while he chose his next words. "In fact," he said, "I have played a samurai for only about half of my career."

Considering that he has appeared in 126 movies, it still amounts to a good deal of swordplay and swashbuckling. And none of it, Mifune was saying, has necessarily become easier just because he has been doing it for 37 years.

"Now, you say samurai," he said. "There are many classes of samurai, from shogun to ronin" — the latter a reference to masterless warriors.

"The spirit and the manners of samurai are always the same. That does not change, not even with ronin. But I try to bring a fresh approach to the role. Of course, there is always a new costume and a new haircut, but even beyond that, I try to make it fresh each time."

His voice drifted away, and he turned his attention to the cigarette



Kazumasa Kawai

Just as John Wayne became the cowboy, Mr. Mifune is the shogun, an image that people in the Japanese film world believe he likes to encourage.

and the holder. Mr. Mifune is not a man disposed to long discourses.

This Wednesday, a retrospective of his films opens at the Japan Society on East 47th Street in Manhattan — a feast of Mifune, 40 films stretched across nearly eight weeks, until April 29. Also at the Japan Society, the actor will be honored Tuesday night at a benefit chockablock with prominent sponsors, including Hollywood actors and directors with whom he has worked.

Over the years, he has held all manner of conversations about portraying samurai. But it is hard to tell from them what he thinks of his public reputation, which tends to consist of one part Mr. Mifune as international

ally acclaimed actor against several parts of Mr. Mifune as embodiment of warrior stolidity. At the age of 64, he has turned, in a sense, into a Japanese John Wayne. Just as Wayne at some point stopped being merely an actor who knew how to get on a horse and became the American cowboy, so Mr. Mifune is the shogun, an image that people in the Japanese film world believe he likes to encourage.

Mr. Mifune himself shook his head slightly, a maybe-I-do-and-maybe-I-don't gesture. He put the holder in his mouth and lit the cigarette.

"I am," he finally said, "an actor." He did not say that he is also Japan's best-known actor, but, then again, he didn't have to. Most likely,

he is the one Japanese performer whom foreigners can readily recognize, a fact that has not changed much over the last two decades even though Mr. Mifune's career has shifted in that period, to focus less on acting and more on producing and distributing films from the studios of Mifune Productions in a section of western Tokyo that forms a little Hollywood-like colony.

As might be expected, the Japan Society series will feature many of the classics that he made with the director Akira Kurosawa during the postwar period generally considered the Golden Age of Japanese film. After opening with "Yojimbo," the 1961 tale of a jobless, vagrant samurai, the retrospective will continue with such Kurosawa works as "Rashomon," "Seven Samurai," "Throne of Blood," "Sanjuro" and "Drunken Angel."

It is in these films that Mr. Mifune made his mark, with a swagger, a leonine handsomeness and a fierce physical presence. Mr. Kurosawa cast him in 16 of the 17 movies that he directed from 1948 to 1964, starting with "Drunken Angel," in which Mr. Mifune had a small role as a gangster. In his autobiography, published two years ago, Mr. Kurosawa recalled that what had impressed him in that film was how Mr. Mifune "reacts so swiftly to direction, you know; if I say one thing to him, he understands 10. I decided to turn him loose."

"The speed of his movements was such," Mr. Kurosawa said, "that he said in a single action what took ordinary actors three separate movements to express."

The retrospective will also contain infrequently shown Mifune films, among them "Snow Trail," his first, as well as several that were made much later with foreign directors, including the 1968 adventure movie "Hell in the Pacific," with Lee Marvin. And, yes, there will be segments from the American television series "Shogun," which dragged on longer than a good many samurai battles.

The tribute will take Mr. Mifune to New York for the first time in 10 years, and in his office at Mifune Productions he seemed genuinely surprised when he heard how many films would be shown. "Forty?" he said. "I thought maybe 10 or 15." He sounded impressed, although it was not clear whether with the series sponsors or himself.

Mr. Mifune does take himself seriously, down to his self-assumed role as Japan's interpreter to the West. He will not do anything on film, he says, that might please foreigners but look silly back home.

## Arts & Leisure

In "Shogun," with Mr. Mifune playing Lord Toranaga, much of the dialogue was in Japanese, the hope being that the audience would eventually recognize often-used phrases. One of these was "wakarimashita ka" — "Do you understand?"

In the interest of consistency, the director, Jerry London, wanted Toranaga, too, to say "wakarimashita ka" when talking with the shipwrecked English pilot, Blackthorne. Mr. Mifune refused. "A shogun wouldn't talk like that," he said.

In the stratified structure of the Japanese language — with sentences assuming entirely different forms depending on the speaker's class, sex and rank — "wakarimashita ka" would have been too polite. Mr. Mifune wanted the more imperious "wakatta ka."

"I insisted," he said, "if I said it the other way in the movie and a Japanese audience saw it, people would burst out laughing and that would be a shame for the director himself."

Who won? "I did," the actor said, and let out another unamused laugh. "I was just faithful to the role of shogun."

Mr. Mifune prefers to speak in Japanese. He knows English well enough for casual conversation, but lacks the richness required for complicated thoughts.

Over the years, his face has softened under the heavy black eyebrows — still handsome, to be sure, but less fierce, more like that of man at ease with himself. He had started out quite differently when he went looking for work at the Toho movie studios in Tokyo soon after World War II.

He was born the son of Japanese immigrants in Tsingtao, China, and spent most of his early life outside Japan. During the war, he served as an aerial photographer in the Japanese Imperial Army, and so it made sense, he thought in early 1948, to apply for a cameraman's job at Toho.

According to several accounts, he was sent by mistake to where "new faces" were being cast. Actually, Mr. Mifune said, he went there after finding out that Communists dominated the cameramen's section, a situation he did not like. Whatever the reason, he walked into an audition, fresh-mouthed as well as fresh-faced.

"Laugh," he was told. "What is this?" he shot back. "One cannot just laugh." Most of the audi-

tioners were ready to kick him out, but his arrogance appealed to Kajiro Yamamoto, a leading director at Toho. Mr. Mifune was hired on the spot, and appeared in his first film, "Snow Trail," directed by Senkichi Taniguchi, in 1947.

The year after that he began his collaboration with Mr. Kurosawa, a period of seemingly endless critical acclaim, from the 1954 Academy Award presented to "Rashomon" as Best Foreign Language Film to the two Best Actor awards given Mr. Mifune at the Venice Film Festival, for "Yojimbo" in 1961 and "Red Beard" in 1964.

"Red Beard" also marked the end of the Kurosawa-Mifune relationship and, some would argue, the end, too, of Mr. Mifune's on-screen incandescence. There has been no shortage of films for him since then — 45 over the last 20 years — and Mr. Mifune, in his office, leafed through scripts to show the new projects under consideration. But it has not been the same; the movie list is top-heavy with samurai equivalents to spaghetti westerns.

"Of course, he is gifted, but without Kurosawa he has not performed as well," said Kazuko Kawakita, who heads the Kawakita Memorial Film Library in Tokyo and is an important figure in the Japanese movie world. "He has many concerns, with his business interests, and in a way it is a pity," Mrs. Kawakita said. "He cannot concentrate on his acting as much."

The last film with Mr. Kurosawa required Mr. Mifune to wear a thick beard for two years or more, preventing him from taking other roles at a time when he was having financial troubles. He chafed under that beard and, some say, under Mr. Kurosawa's domination. Finally, the director and the actor went their separate ways.

Now and then a story appears in the Japanese press to the effect that they are talking about a reunion. But nothing ever comes of it. It is because they are both busy, Mr. Mifune insisted. "It is not that Kurosawa and I are in any difficulty."

That may be. Nevertheless, Mr. Kurosawa refused to be interviewed about Mr. Mifune. Ostensibly, it was because he was too busy. In fact, according to a member of his production company, even though the director did not wish to criticize the actor in public, "nor can he praise him."

## Why the Dramatic Arts Embrace Henry James

By LEON EDEL

It is common knowledge that Henry James had a love affair with the theater which lasted for many years. The theater, however, did not reciprocate, and it ultimately rejected him. His best-made play was booed out of the St. James Theater in London in 1893. Crushed in his defeat, he said, "I may have been meant for the Drama — God knows! — but I certainly wasn't meant for the Theater."

He was right. He died in 1916, and a few years after, in the early 1920's, playwrights began to turn his fiction into theater. These became movies. Then composers found he had good opera subjects. And more recently he has been taken over by video. The love affair between the modern performing arts and Henry James has now lasted for more than 60 years, and the end isn't in sight. Almost half of James's 20 novels have been translated into the dramatic media, and a goodly number of his shorter tales. At this very moment, a theatrical version of "The Aspern Papers" is being revived in London under the direction of Michael Redgrave, with Vanessa Redgrave and Christopher Reeve in the leading roles. At the same time, Ismail Merchant and James Ivory, who two or three years ago made a movie of James's early novelette, "The Europeans," are completing a film of James's 1885 novel, "The Bostonians" — starring the same Vanessa Redgrave and Christopher Reeve, as well as Madeline Potter. The novel failed miserably when it was serialized in the old Century Magazine. The editor told James he had "never published anything that appeared so little to interest their readers." But today the public is likely to await the film with interest. It deals not only with the idiosyncrasies of Boston but early American feminism and relationships with lesbian overtones. James was clearly ahead of his time.

All this is very strange, for James would seem to be the last novelist suited for stage or screen and certainly not for the wider simplifications of video. There is no violence in his fiction; the automobile came too late to be included save for one or two of his late tales. There are no chases, no flaming vehicles, no violent embraces and predatory or cannibalistic kisses and no nudity. But there is, as the movie schedules call them, a quantity of mature situations. Very mature. For James is the great master of personal relations and a precursor of modern psychology. In his prose, however, much as we might describe it as baroque, he is a master, too, of verbal exactitude — his sentences gleam and shimmer with felicities of expression and a great quantity of what he called "felt life." How could this kind of novelist — admittedly difficult, often called labyrinthine, be so seductive to producers, directors, Broadway angels, and scenario writers. And yet, more than some of our writers, he has posthumously fulfilled his great ambition and reaches audiences undreamed of in his time.

His last three novels, those monuments of his late style and "final manner," have been among the most successful. Fondly remembered everywhere by discriminating video



James turned himself into a mobile camera long before 'film' was invented.

viewers is the Masterpiece Theater production of "The Golden Bowl" — James's supreme drama of personal relations. A novel filled with the consequences resulting from an American girl marrying an Italian prince, and her tycoon father marrying the prince's mistress — so that the mistress becomes the American girl's stepmother as well as mother-in-law of her lover — it was adapted with a delicacy and pictorial beauty rare in television. "The Wings of the Dove" was a successful play in London and an opera in New York by the late Douglas Moore. "The Ambassadors" has recently been an art film produced by public television, of a highly sophisticated sort, with Lee Remick. The list of Jamesian successes in the media is long, ranging from "Washington Square," which became "The Heiress," to his eerie tale "The Turn of the Screw," which was a play, later made into two movies, then a Benjamin Britten opera, and finally televised in prime time nationally with Ingrid Bergman. If anyone will say that this was strictly highbrow stuff, I can only rejoice that a Grade B make of "The Aspern Papers," done in Hollywood long ago and called "The Last Moment," can still be seen on occasion on the late shows.

Decidedly the most difficult and even, at times, esoteric novelist we have ever had, seems amenable to the electronic medium in a very large way. I am often asked about this: And I have concluded that James's appeal to the mobile cameras of our day resides in three distinct elements of his art — the modernity of his subjects, his singularly accurate psychology and above all his extraordinary visual-ity.

First his subjects: James, we must remind ourselves, was the original fictional historian of the American girl in her new-found freedom, her brashness, her innocence — and ignorance — and her defiance of rules and regulations. She was an unabashed flirt; dressed with taste and flair, she confounded the Europeans in the decades when she was still a novelty on the cosmopolitan scene. She was "Daisy Miller" — the little girl from Schenectady, N.Y., who couldn't conceive that in Rome one behaved in any other way than she had done in upstate New York. Peter Bogdanovich made a sensitive movie of her exploits in 1974 — rendering with fidelity the Swiss and Italian backgrounds and the drama of Daisy's defiance of the social snobberies of American expatriates. James also showed American girls in pursuit of titled husbands in England — a subject as actual in our time as in his. One of his amusing divorcees lands a British baronet and speculates that if she might have waited a little longer she could have had a duke. We might add that if she could have lived into our time she might even have landed a king or become at the least a princess in Monaco.

Jet travel and a wider cosmopolitanism have made James's "international" fiction almost a "natural" for video. And, within this internationalism, James included the drama of America's encounter with foreign ways — an encounter that the politically wise might say applies even to our policymakers in the State Department. Indeed, when President Reagan visits Europe he can often be said to be re-enacting the story of James's Christopher Newman (the New Man in the name was not accidental) in his second novel, "The American," whose self-confidence and geniality, and generous American dollars, and sense of American supremacy, carry him along until he encounters the sometimes treacherous depths of European diplomacy. And even then he rises above them in his general innocence.

The second element in James's theatrical and movie adaptations is his psychology. James possessed in marked degree some of the insights which literary genius has had down the centuries into human behavior and motivation. He understood the psychopathology of everyday life before Freud wrote it: The friendly gesture that harbors aggression, the uncertainty that betrays depression, the hidden barbs that lie in the words we use, or the way we tease one another. He had Dostoyevsky's insights, although at the opposite emotional pole from him.

But perhaps behind the Jamesian subject and the Jamesian psychology there lies an important technical reason for the novelist's vogue and adaptability to the movie camera. James was the most visual of all our novelists; any page in any of his novels is filled with subtle observation, by his characters, of their environments. We could say that his eyes were camera lenses: that he turned himself into a mobile camera long before "film" was invented.

Leon Edel is Henry James's biographer. His edition of the final volume of James's letters has just been published by Harvard University Press.

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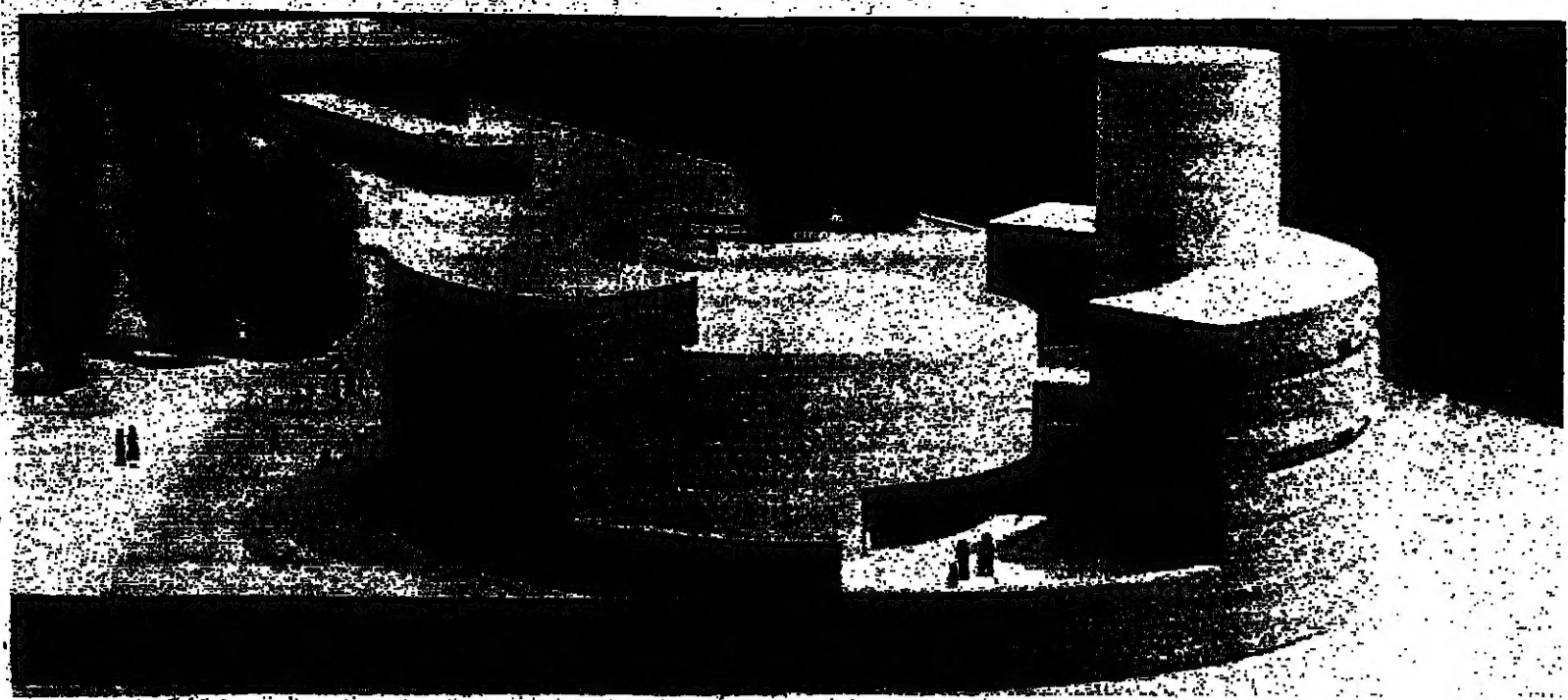
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The Yigal Alon Memorial Centre as it will look when viewed from the Kinneret

THE MUSEUM has walked on the waters of the Sea of Galilee and won the financial support of the Likud government even though it propagates the values of a pillar of the Labour Party.

These engineering and political wonders aside, the museum, being built at Kibbutz Ginnosar in memory of Yigal Alon promises to be one of the most stimulating in the country — one that aims at providing more questions than information.

A visitor stopping off with the kids for a light cultural snack between a morning swim and a noontime picnic will probably find himself being led into a maze from which he can emerge only by asking himself questions of the deepest moral nature.

The museum is part of the Yigal Alon Centre being developed on a five-dunam tract, created by filling in the lake at a point abutting the grove in which the founding meeting of the Palmah was held. It was Alon's command of that fighting force in the War of Independence that raised him to positions of national leadership.

The kibbutz, which he helped found, was his home until his death four years ago last week.

## MEMORIAL TO ALLON

By ABRAHAM RABINOVICH/Jerusalem Post Reporter

"The central point about Yigal was that he was an educator, apart from being a political figure," said Muki Tsur, who coordinated the creation of the museum's programme during a recent tour of the structure.

The central theme of the museum, "Man in the Galilee," provides a localized vehicle for exploring national and even universal questions.

One of the exhibitions, part of a display on Galilee battles from antiquity to modern times, will be a "Crossroads of War" maze. Visitors will be confronted at each turning with different options involving a moral choice. "Yigal's idea," says Tsur, "was that all political and military decisions are of a moral character. We want those who pass

through the maze to discuss the implications of their choices with others afterwards." Many of those finding their way through the maze are expected to be soldiers and officers attending army courses.

AN EXHIBITION on the Arab villages of the Galilee will illustrate with photographs and artifacts the conflict between tradition and modernization.

Jewish settlement in its various forms will be the subject of another display in which school groups and others can, with building blocks, create a physical form of settlement in line with their own concept of society. A settlement from the Talmudic period will be among those shown. "We want to show a commune of working people,"

An audio-visual presentation of

Israeli songs will encourage viewer participation in this expression of national aspirations. There will also be a permanent exhibition on Yigal Alon and his life as a son of the Galilee and as a political and military leader.

The museum is intended primarily as an educational tool for school and adult study groups.

The round structure, with large windows, will offer spectacular views of the Kinneret and its surrounding hills. Alongside the museum, on the artificial peninsula, will be a large auditorium.

Behind the idea for the centre is a group of Alon's friends headed by Mulla Cohen, his former deputy in the Palmah. The three-storey museum will cost some \$3.5 million, much of it provided by the government. Former prime minister Menachem Begin, an admirer of Israel's military heroes regardless of political affiliation, responded generously to Mulla Cohen's request for government assistance when it was put to him several years ago. Also contributing are the Kibbutz Movement, the Jewish Agency, the Jewish National Fund and private individuals. The museum is to be opened sometime in 1985.

ONE AMERICAN "import" that is being welcomed by an increasing number of individuals and communities here is the Young Israel movement.

In the space of a little less than a decade, the Israel Council of Young Israel (ICYI) has grown from virtually zero membership to 33 branches with about 4,000 paid-up members, and thousands more participating in the movement's various activities. (In the U.S., the movement has 160 branches and 45,000 members.) The applications of another five communities are in the final stages of processing.

Young Israel, founded about 75 years ago, is an Orthodox synagogue movement with a difference, especially for Israel. The difference is that a Young Israel synagogue is intended to serve not merely as a place of prayer, but as a community social, cultural and spiritual centre.

For example, the Petah Tikva branch has a programme, in which some 350 children and adults participate. It includes classes in karate, music appreciation, handicrafts, and, of course, Judaica subjects. It also has a special programme to prepare boys for the bar mitzva ceremony. Some of its members perform volunteer tasks at nearby Beilinson Hospital. The participants in all these activities include many non-members and also quite a few non-Orthodox.

Although the core of the Young Israel movement here consists of settlers from the U.S., most of the participants in its activities and many of its paid-up members are native-born or veteran and non-Anglophone Israelis.

ONE SUCH person is the president of the Petah Tikva branch, Menahem Pariente. The branch's rabbi, however, is Israel Fass, who came here with his family from the U.S. in 1982. Fass was ordained at Yeshiva University, but he also holds a doctorate in chemical engineering from New York University, and he earns his livelihood as an official of the market-development section of Israel Chemicals. He is paid a salary by the Petah Tikva Young Israel, but all of it goes into a *gemilut hesed* fund that he administers for the branch.

The Netanya and Rehovot branches conduct special afternoon classes for children in Jewish subjects, mainly for children of members but also attended by non-membership and non-Orthodox children. The Sabra national president of ICYI is a journalist, Yehuda Azrieli, who is director-general of the Israeli Zionist Council.

In Katamon Tet in Jerusalem, the ICYI is one of the main driving forces behind, and supporters of, the activities that Yitzhak Mayost runs for more than 100 neighbourhood children and their families. Some years ago, Mayost, fresh out of the army, took over a neighbourhood bomb shelter that had been used as a narcotics and prostitution den and converted it into a synagogue and meeting room.

The ICYI provided money for the new synagogue and also to enable Mayost to attend yeshiva classes and take university courses related to communal work. In time, the ICYI also started paying him a half-time salary, so that he could carry on with fewer worries about livelihood. (He is a carpenter by trade.) Yad Avi Hayishuv (the

## Taking root

By MOSHE KOHN  
Jerusalem Post Reporter

Rothschild Foundation) also helped, and in 1983 Project Renewal started supporting the project.

NOT THE LEAST of the ICYI's activities is the adult-education programme conducted at its national centre, in a wing of Jerusalem's Yeshurun Synagogue that it recently took over.

This programme includes courses in various Judaica subjects on various levels and various lecture series, and are regularly attended by hundreds of Jerusalemites and English-speaking visitors.

One of the crowning glories of the ICYI's activities is its young-adult *minyan*, one of whose primary functions is to lose members, as it were. Begun in 1980 as a joint activity with Yeshurun, the congregation regularly has some 50-70 worship-

pers, predominantly single young men and women, at its Shabbat and festival services. It also organizes weekend retreats and Saturday night Melaveh Maikah gatherings.

To date, the *minyan* has "lost" 60 members — 30 young couples who met there, married, and moved to the various remote neighbourhoods to which Jerusalem young-marrieds are moving these days. At a recent Melaveh Maikah, the engagement of three more couples was announced.

Rabbi Moshe Pose, ICYI national director, said that the *minyan* "is happily coping with the problem of attracting new blood."

ICYI COULD NOT thrive without devoted volunteers to help its limited staff. Now it may be coincidental — perhaps not — but the ICYI's decade of growth and florescence coincides with the period in which Aaron and Judith Krumbel came from the U.S. to live here and got into the swing of communal life. They were the guests of honour of the ICYI's annual banquet held yesterday at the Laromme Hotel in Jerusalem.

Aaron Krumbel, a recently retired educator, is 63 years old. But his connection with Young Israel goes back nearly three quarters of a century, to the time of the movement's founding in his grandfather Aaron's home in Brooklyn, N.Y.

## Irresistible bagatelles

MUSIC/El Karev

evening they had a rare chance to enjoy pieces with Gyorgy Ligeti, one of today's leading musical personalities. The event, like the rest of the group's projects, was sponsored by the Goethe Institute and the Rubin Music Academy of the Tel Aviv University, and it featured chamber music compositions by Ligeti, by two of the group's founders and by Israeli guest composer, Ami Ma'ayani.

Ligeti's contributions covered wide stylistic and chronological ground: from *Six Bagatelles*, written more than 30 years ago in Hungary, to the two-piano pieces, composed in 1976.

Played with infectious gusto by the wind quintet of the Israel Sinfonietta Beersheba, the bagatelles were irresistible in their rhythmic vitality, remarkable exploiting of the instrumental medium and the subtle ties to folk music. Here and there, one could discern hints of the composer's later exploration of static atmospheric patterns; yet does not Bartok's abundant *Night Music* point in the same direction?

The three pieces for two pianos were a different story altogether. Characteristically static in design, their intricate fabric did not allow for a single dull moment. If the opening *Movement* radiated archaic grandeur and the concluding *Movement* served as the flexible, liquified counterweight, the *Self-portrait with Reich and Riley* (with *Chopin in the background*) contained some hilarious references to two of the composer's younger contemporaries, as well as to *Chopin's Funeral March* sonata. The pieces are splendidly

plazistic, and the rendition by Sara Fuxon and Bart Berman (Beersheba, too) appeared, on first hearing, exemplary.

It was only *Continuum*, which despite being played twice, remained a puzzle to at least one listener.

Of the Israeli contributors, Gabriel Iruni offered his two-piano *Laudae*, a world premiere performance. The piece combines a multi-coloured texture with stately melodic periods quoted from Jewish liturgy. The influence of Messiaen is beyond doubt; still, the powerful, electrifying music stands up on its own very well indeed. *Laudae* may become a repertory piece, and deservedly so.

Ami Ma'ayani's *Two Madrigals* date from 1969. Ever the colourist, Ma'ayani explores the instrumental means at his disposal to the utmost limit. Except for the uneventful opening, the work's expressive core never failed to come through.

The big, pianistically fascinating *Sonata no. 7* by Joseph Dorfman, written in 1967, impressed as a work of somewhat dissipated substance. Michael Boguslavsky played it with compelling concentration, brilliance and wealth of tone-colours.

The programme sheets contained a great deal of information on the composers and their works; not a single word was devoted to the excellent performers. One hopes this glaring omission was accidental.

## THE HEBREW UNIVERSITY OF JERUSALEM

The R. Kohnen Chair of German History  
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**OPPOSITION AGAINST NATIONAL-SOCIALISM:  
POTENTIAL, PRAXIS AND LIMITS**  
March 11-14, 1984

Sunday, March 11, 1984, 8 p.m.

Chairman: J. A. J. Hansen, Ambassador of the German Federal Republic.  
R.M. Lepsius (Heldelberg): Resistance in National-Socialist Germany: Preconditions and Forms of Organisation.

Monday, March 12, 1984, 4 p.m.

Chairman: S. Volkov (Tel Aviv).  
B. Knei-Paz (Jerusalem): Totalitarianism and Opposition.  
K. Tiedtke (Munich): Social Foundations of Opposition and Resistance.  
M. Broder (Munich): Popular Opposition and Resistance. Social Differences.

Findings of a Research Project on Bavaria in the Nazi Era.  
Tuesday, March 13, 1984, 4 p.m.

Chairman: R. Ripp (TU, Berlin).  
D. Barkler (Jerusalem): The KPD and Nazi Antisemitism.  
H. Zimmermann (Jerusalem): The Weakening of Opposition to Dictatorship: The German Jews.

Ch. Dipper (Düsseldorf): The German Resistance and the Jews.  
Wednesday, March 14, 1984, 8 a.m.

Chairman: S. Achheim.  
D. Kulka (Jerusalem): The Churches and the Final Solution as Reflected in Secret Public Opinion Reports.  
H. Ben-Israel (Jerusalem): Cross-Purposes: The English Reaction to the German Opposition.

Chairman: R. Vierhaus (Göttingen).  
In: Gutmann (Jerusalem): Exit, Voice, Loyalty and Resistance: Some Critical Remarks Concerning the Role of the Churches in Nazi Germany.  
Is Gutmann (Jerusalem): The Unique Character of Jewish Resistance during the Holocaust.

Thursday, March 15, 1984, 8 p.m.

Chairman: Y. Bauer.  
S. Aronson (Jerusalem): Stauffenberg — The Man and the Legacy.  
W. Schieder (Trier): Two Generations of Military Resistance.

Ch. Klassmann (Bielefeld): Cross-Purposes: The English Reaction to the German Opposition.  
Friday, March 16, 1984, 8 p.m.

Chairman: S. N. Eisenstadt.  
H. Mommsen (Bochum): German Resistance against Hitler — 40 Years Later.  
Evening Programme.

March 12, 1984, 8 p.m.  
Gerhard Baum (MdB): The German Federal Republic and the Assessment of Resistance to Nazism.

March 13, 1984, 8 p.m.  
Chairman: G. Mosse (Jerusalem).  
Resistance as a Personal Experience: H. Harwarth, J. Julich, H. Kuhn, A. Knoop-Graf.

All sessions will take place at the Van Leer Foundation, Einstein Square, Jerusalem.

ALL LECTURES WILL BE HELD IN ENGLISH

## THE HEBREW UNIVERSITY OF JERUSALEM

Faculty of Social Sciences  
Eliezer Kaplan School of Economics and Social Sciences  
Levi Eshkol Institute for Economic, Social and Political Research

invites the public to a symposium on:

**1984:  
LITERATURE AND POLITICS,  
POLITICS AND LITERATURE**

Sunday, March 11, 1984: 6 p.m. Opening Session

Handler Auditorium, Truman Bldg., Mount Scopus campus

PROF. BERNARD CRICK (author of Orwell's biography)  
will lecture in English on:

GEORGE ORWELL AS A POLITICAL WRITER

Monday, March 12, Litwinsky Senate Hall, Mount Scopus campus

Session 11 (in Hebrew): 9-11 a.m.

POLITICAL MESSAGES IN LITERATURE AND CINEMA

Session III (in Hebrew): 11:30-1:30

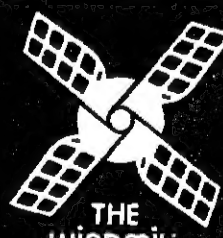
"1984" IN DEMOCRATIC POLITICAL THOUGHT

Session IV (in Hebrew): 4:00-6:30 p.m.

SOCIETY, POLITICS AND LITERATURE IN ISRAEL

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## New attempt to provide rental housing in quantity

By AARON SITTNER  
Jerusalem Post Reporter

Another attempt will be made soon to provide "thousands" of rental flats for young couples, large families and army veterans without means to buy a home of their own, the president of Contractors and Builders said last week.

David Stern said: "The virtual unavailability of rental housing in this country has been felt sorely since the establishment of the state. In 1981, hopes were raised when the Knesset approved the Law for Encouragement of Investment in Rental Housing. But, unfortunately, nothing ever came of that, because the subsequently enacted Taxation in Conditions of Inflation Law in effect cancelled all of the incentives offered in the 1981 law."

"But now our organization, together with the Histadrut-owned

building firms, has prepared a new, detailed rental housing scheme. It will be submitted to the Knesset housing sub-committee together with a similar plan prepared by the Ministry of Housing and Construction.

Sub-committee chairman MK Rafi Edri, who happens to be general manager of the Histadrut's Shikun Ovdim housing company, will convene the members on March 13 to decide which programme to recommend. Once approved, it will be brought before the Knesset plenum for a vote.

According to Stern, the government is now tackling the housing shortage by bearing down hard on a nationwide scale. It wants to make it economically feasible for contractors and builders to erect thousands of flats, which will be made available to Israelis on a rental rather than sales basis.

## Missed opportunity in 1983

By MACABEE DEAN  
Jerusalem Post Reporter

TEL AVIV. — The Bank of Israel's "regulation" of the price of indexed bonds and the "arrangement" it made with the commercial banks to guarantee the dollar-equivalent price of their shares have greatly neutralized any beneficial effects that could have been taken place in the capital markets in 1983.

This is the opinion of two senior lecturers at the Hebrew University, Dr. Menahem Brenner and Dr. Dan Galai, according to an article appearing in the latest issue of the *Economic Quarterly*.

The two economists state that the crisis in the capital markets in 1983

was due to the competition between the Bank of Israel and the commercial banks to mobilize funds in the capital markets. This competition led to the commercial banks "regulating" the price of their shares to such an extent that the value of these shares no longer had any real economic basis.

They believe that the crisis in the bank shares, if viewed from a macro-economic point, could have reduced the price of capital. At the same time it could also have encouraged a transfer of funds from the financial sector to the productive sector, while stepping up the competition between the banks. Both factors would have been beneficial to the economy, they said.

## Egypt may spend \$8 billion on development

CAIRO (Reuters). — The Egyptian cabinet yesterday discussed a 1984-85 development plan, envisaging investment of \$3 billion to create 430,000 new jobs.

Planning Minister Kamal Ganzouri said in a report to the Shura (advisory) Council, the plan for the year from July 1 was expected to boost the value of industrial output to \$26.6b. from 24.8b. in the current year.

In the report, made available yesterday, he said 77 per cent of the investment would be undertaken by the public sector and the rest by private business.

The plan envisaged building factories, raising agricultural output, boosting energy production and building 160,000 lower-class housing units, Ganzouri added.

The annual plan is within the framework of a 1982-86 five-year plan expected to cost \$40.9b. and designed to achieve average annual GNP growth of eight per cent.

Egypt initial oil search agreement with French firm CAIRO (Reuters). — Egypt initiated a \$49 million agreement for oil exploration in Northern Sinai with the French company Total Orient, a spokesman for the Egyptian General Petroleum Corporation said.

Total Orient pledged to spend the \$49m. over six and a half years and agreed to pay \$1m. as a bonus for signing the agreement, he said.

The company will explore in an area covering 2,400 square kilometres.



## Raymond Donovan, U.S. Labour Sec'y here on visit

Jerusalem Post Reporter

U.S. Secretary of Labour Raymond Donovan yesterday began a six-day official visit to Israel, in which he will take part in a joint Israel-American conference on labour problems and meet with the president, prime minister and members of the Knesset.

Donovan, who is the guest of Minister of Labour and Social Affairs Aharon Uzan, arrived on Saturday with a delegation of trade union representatives and businessmen. Donovan is a former executive of a New Jersey construction firm.

The three-day conference starting today in Jerusalem will deal with labour relations, vocational training, occupational safety and unemployment. The participants will visit factories and meet with Histadrut leaders.

Israel-S. Africa Chamber Jerusalem Post Reporter TEL AVIV. — Yehoshua Forer, director-general of the Ministry of Industry and Trade, recently called for a better trade balance between Israel and South Africa, which at present heavily favours South Africa. He was speaking at the annual general meeting here of the Israel-South Africa Chamber of Commerce.

The chamber elected Howard Glazer, CPA, as its chairman. He succeeds Morris Mendelovitz, who held the post for two years. Morris Ostroff was elected vice chairman and Aubrey Berman treasurer.

## Norway student stores boycott Israeli goods

OSLO (AP). — Oslo's Student Welfare Association has forbidden its three department stores to sell goods produced in Israel.

The sale was planned as part of an Israeli Week by the store operators, selling produce bought at discount prices.

The board's ground for deciding to boycott Israeli goods was that Israel "is discriminating against Palestinian and Lebanese citizens living under occupation."

## Your money & your questions

By JOSEPH MORGENSTERN  
Post Finance Reporter

QUESTION: I am a pensioner with some Defence Loan bonds which are falling due in 1984 and 1985. Is it true that under the present linkage agreement I may lose part of my savings?

ANSWER: Unfortunately some of the Defence Loans which are due for redemption in 1984-1985 will be paid on the basis of linkage to the cost-of-living index of December 1983. With our high inflation it would be easy to lose half of one's savings or even more if repayment is made months after the linkage ends.

A similar problem has developed with repayment of loans made to insurance companies with funds received from annuities. The companies, in some instances, pay back about 45 days later. The savings are eroded considerably due to the late payment.

QUESTION: Does it pay to take a bank overdraft to speculate on the stock exchange?

ANSWER: Borrowing money to speculate in shares is a method of using leverage to try to make money which one does not have. There are a number of questions to consider. Among these are the ability of the speculator to stand losses. He should keep in mind that he has to earn more on the investment than the cost of the overdraft. Obviously, when the cost of money can run as high as 15 per cent a month, one must realize more than that from the speculation to make it worthwhile.

QUESTION: You were very optimistic about the prospects of the share market two weeks ago. I did not listen and am sitting on the sidelines. What do you suggest now?

ANSWER: In the past fortnight the market has advanced sharply and the risk reward equation may be somewhat less favourable now. Notwithstanding the complete detachment of the market's movement from basic economics, I think that the billions of shekels which are being printed, returned to the public from lapsed savings schemes, or just languishing in short-term deposit accounts, create the liquidity on which share markets

thrive. You certainly have not missed the boat, but I suggest a greater degree of selectivity than was necessary in mid-February.

QUESTION: I have substantial sums in dollar *pa'am* deposits. Should I consider diversifying into other currencies?

ANSWER: Most bankers and money managers have always favoured diversification. The Swiss generally favour a disposition of currency holdings on the basis of 50 per cent in dollars, 25 per cent in Swiss francs and 25 per cent in German marks. The idea is to reduce exchange rate risks and to eliminate the effect of a strong movement of one currency against another.

A case in point is the very strong performance of the German mark against the dollar. In terms of the shekel — in February it was devalued by 10.8 per cent against the dollar, however, it was devalued by more than 19 per cent in terms of the German mark. Keeping one's funds in a single currency may therefore be looked on as a sort of speculation. Diversification of currencies may be less profitable, but offers greater protection.

QUESTION: What is the difference between a "nominal gain" and a "real gain"?

ANSWER: If a share goes up in price from 100 to 200, it is said to have a nominal gain of 100 per cent. However, in accounting practice in inflationary times one adjusts the nominal gain for the erosion of value due to inflation. After one has taken this loss into account, the "nominal gain" is turned into a "real gain" or "real loss."

Investors whose funds originate from dollars while their investment is denominated in shekels are interested in knowing what their profit is in dollar terms. If a share goes from 100 to 200, it is said to have a "nominal gain" of 100 per cent. However, if one is to calculate the profit in dollar terms, then it has to be adjusted by the devaluation of the shekel, during the period of the investment. After making this adjustment one gets the "real gain" in dollars.

## Profits of Leumi (Switzerland) up 30.7%

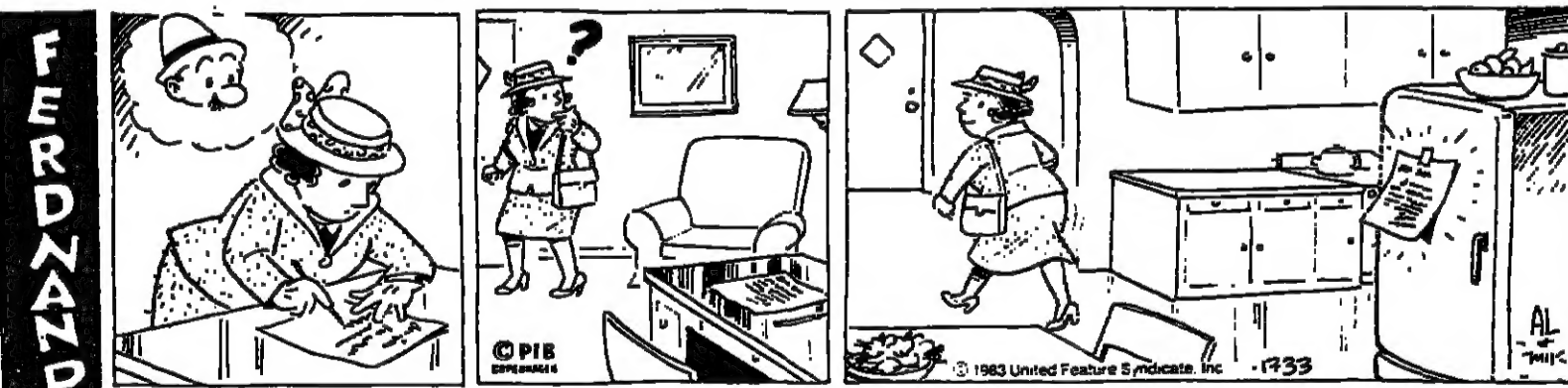
By MACABEE DEAN  
Jerusalem Post Reporter

TEL AVIV. — Bank Leumi (Switzerland) increased its net after-tax profits by 30.7 per cent in 1983, from Sfr 5.1 million Swiss francs the previous year to 6.6m. francs in 1983, the bank reports. It has decided to declare an 11 per cent dividend, compared to ten per cent the year before.

The bank, which has branches in Zurich and in Geneva, increased its

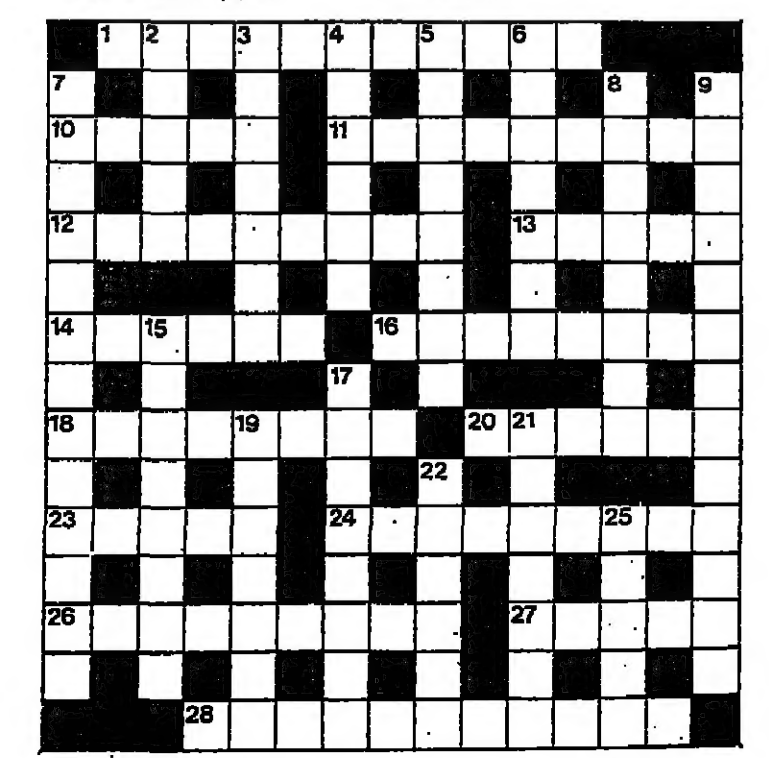
capital means by 6.6 per cent, from Sfr 50.9m in 1982 to Sfr 54.2m in 1983. Its loans to the public rose by 35.1 per cent, from Sfr 241.7m. in 1982 to Sfr 326.5m. in 1983. Its balance sheet grew by 19.6 per cent, from Sfr 512.9m. in 1982 to Sfr 618.2m. last year.

The bank notes that it specializes in handling investment portfolios for clients around the world, and that under Swiss law the value of such portfolios is not included in the balance sheet.



## ONE-AND-ONE CROSSWORD

- |                                                                |                                                                          |
|----------------------------------------------------------------|--------------------------------------------------------------------------|
| ACROSS                                                         | DOWN                                                                     |
| 1 One who scoffs at versifiers in Westminster Abbey (5, 6)     | 2 Frequently decimal (5)                                                 |
| 10 A riot broken up to establish mathematical relationship (5) | 3 Sang a carefree song in a fishy way (7)                                |
| 11 Duty may be due or it may be cut out (9)                    | 4 Talks about oriental swindles (6)                                      |
| 12 The only one wearing an undershirt? (9)                     | 5 Withdrew opinions about brotherly love (8)                             |
| 13 Costume worn in order to rise (3-2)                         | 6 Flag-lieutenants? (7)                                                  |
| 14 Batters men of the interior (8)                             | 7 Tiring places for those making a change (8, 5)                         |
| 16 Masculine gear causes chaps to use bad language (4, 4)      | 8 Improved as being without helpers (8)                                  |
| 18 Nanny's family may get tanned (8)                           | 9 Suitable material for a tasteful dresser (8, 3, 4)                     |
| 20 So Eden changed her style and became an inventor (6)        | 10 Get the tea-maker ready for the top of the bill (4, 4)                |
| 21 Music for a boat's crew of perhaps 24 (5)                   | 11 Making music for 4 — so trivial! (8)                                  |
| 22 Late night sad songs for craftsmen of Isis (4, 5)           | 12 A safe prediction of good weather, but you could make it safer (5, 4) |
| 26 Decorative iron pyrites as a metric conversion (9)          | 13 Bad here is reformed by prophesies (7)                                |
| 27 Later variety of a tropical burrowing beast (5)             | 14 The mural decoration with a chilly sound (6)                          |
| 28 Do their tongues have an Irish accent? (6, 5)               | 15 Set free when international politicians get it round the neck (5)     |



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## 58 'buyers only'; 19 for second day

TEL AVIV. — "Statistics don't lie," goes the old saying. However, the popular averages as expressed by the General Share Index, which went up by only 0.72 per cent, were far off the mark in telling the tale of yesterday's superb market performance. The volatility breakdown was far more accurate in describing the sharply rising market.

A full 58 equities were "buyers only." Of these no less than 19 were established for the second consecutive session. Only one solitary issue was "sellers only." In addition, 10 fewer than 188 securities advanced sharply. But contrast, only 30 others were down by margins of five per cent or more.

It will be recalled that last Thursday's 23 securities were "buyers only" for the second session. Yesterday these shares were prime candidates for major gains and they did not disappoint. Some of the 4 were mind-boggling. The Ofis shares, in the industrial sector, soared towards outer space as they added on 45.1 per cent, for the day's best single advance.

However, the performance of Ofis, was far from an isolated incident. Darad 0.1 checked in with a 15.5 per cent jump. Azorim, also in the real estate and land development group, was 22.5 per cent higher. Azorim Properties did even better, as it galloped ahead by 26.4 per cent. The T.G.L. shares were up by 20 per cent. The attention option was up by nearly 60 per cent.

The turnover in the share market was relatively heavy at just under the \$1.3 billion mark.

Bankers continued to report an ever-growing circle of private investors who are returning to the market. The market continues to act in a manner that is detached from all economic realities. "But this is the way exchanges work the world over," explained an analyst. "Investors are more interested in the 'confidence index,' the level of confidence the public has in the market's future performance. This

### Tel Aviv Stock Exchange

By JOSEPH MORGENTHAU

"confidence index" continues to be at a recent high and few people are concerned about a major downward slide now.

Bankers report that some customers are even asking for overdrafts to buy shares. At one bank the interest comes to some 13 per cent a month, for approved overdrafts. However, this really doesn't bother anyone as long as there is a chance that he will see his holdings advance by 45 per cent, as was the case with Ofis.

Bank shares part of the "agreement" were mostly up by small margins. The shares of the General Bank were the exception, as they scooted ahead by a full 10 per cent. Those issues not part of the "agreement" performed more in the fashion of non-banking equities. The Maritime Bank shares were both 10 per cent winners. Danot 1 was 10 per cent higher and was joined by the North American Bank 5 shares, which advanced by a similar margin.

Gains of up to 10 per cent were recorded by mortgage bank securities. Binyan and Tefahot pref. were 10 per cent higher. Jaysour was 9.7 per cent higher. The Confederation of Contractors shares, with a 10.1 per cent gain, led the specialized financial institution stocks to higher levels.

Insurance shares enjoyed some strong gains. Aryeh was up 17 per cent, while its option ripped ahead by 22.7 per cent. Yardenia 0.5 gained 10 per cent, as the option picked up a 15 per cent gain.

"The service and trade group had its own share of major gains. Bonded Warehouse 0.1 was 15.1 per cent higher, while Yahalom Hotels was 17 per cent to the good.

The land development, real estate and citrus plantation group was the best performer yesterday. On a sector basis it advanced by no less than 6.57 per cent. Besides the previously mentioned gains of 20-45 per cent, there were many issues that came through with 10 per cent advances.

Industrials, by contrast with other groups of trading, put in only "moderate" advances. But even here there were some sharp gains. Goldfrost 1 rose by 20.2 per cent, while Atlas moved ahead by 24.5 per cent. Alaska-Sportline was "buyers only" for the second session. Arad chipped in with a 24.2 per cent upward move. Alliance Tires was up by 15 per cent. Pollak 1 was 19.4 per cent higher, while the option was up by nearly 33 per cent.

Investment company issues continued to perform in yeoman fashion. The Israel Corporation 1 shares were "buyers only," while the 5 shares gained 7.1 per cent. Hiron 1 was 10.2 per cent higher. Piryon sported 14.1 per cent ahead.

Rumours of expected announcements of oil finds helped exploration equities. Gains of up to 15 per cent were chalked up by the group.

The index-linked bond market was mixed to slightly higher, as turnovers were not far away from the \$1 billion mark.

T.A.T. shares did not trade yesterday. The management announced that the company had received contracts worth \$9 million. The export order was part of a larger order of \$25m, which will be delivered over a period of six years.

Pri-O yesterday allocated the 100 per cent bonus share distribution.

The shares of Eilat Computers did not trade as the company announced that it had filed a prospectus both in Israel and in the U.S. for a new financing issue.

**Most active stocks**  
Leumi 2345 126,025.0m. n.c.  
Discount A 6930 34,379.7m. n.c.  
IDB 5470 90,834.8m. n.c.  
Shares traded: 151,244,3m.  
Convertible: 15,976.5m.  
Bonds: 15,976.5m.

### Castrol experts here

TEL AVIV. — The multi-national Castrol firm, which specializes in oils and lubricants, has sent three experts here from England to hold a series of lectures for those who deal with motors of all types in transport and industry. The guests are P. Davis, S. Dow and B. Sly. Castrol products are marketed locally by the Paz firm.

### Egypt's oil production up to 780,000 barrels a day

CAIRO (Reuters). — Egypt's oil output has reached 780,000 barrels per day (BPD), an increase of 30,000 BPD over last year's average production, a spokesman for the Egyptian General Petroleum Corporation said this week.

Output from oil fields is on target to reach one million barrels per day by 1985, oil officials said.

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Tel Aviv, 77 Reh. Yehuda Halevi, Tel. 03-624565/6

Company	Price	Volume	Change	% change
Commercial Banks				
(not part of "arrangement")				
O.H.R.	2025	5	+60	+3.1
Maritime 0.5	3072	24	+90	+2.9
N. American 1	6444	68	n.c.	
N. American 5	5356	367	+487	+9.1
N. Am. on 1	4267	359	+467	+10.9
Danot 1	770	334	+70	+9.1
Danot 5	162	8933	+11	+7.6
Danot 5/2	393	224	+25	+6.8
First Int'l 5	640	3028	+6	+0.9
FIBI	489	8117	+12	+2.5

Company	Price	Volume	Change	% change
Commercial Banks				
(part of "arrangement")				
IDB p	120000	n.c.		
IDB r	5400	1660	+60	+1.1
IDB r	5400	n.c.		
IDB p A	32750	n.c.		
IDB on 11	4080	209	n.c.	
Discount A r	4070	500	+7	+0.2
Discount A r	6930	1361	n.c.	
Discount 2	5700	66	n.c.	
Discount 2 B	847	139	n.c.	
Mizrahi r	2250	795	+15	+0.7
Mizrahi b	2250	69	+15	+0.7
Mizrahi on 11	1652	104	+12	+0.7
Mizrahi on 12	1652	104	+12	+0.7
Mizrahi on 6	18750	5	n.c.	
Mizrahi on 9	1015	227	n.c.	
Hapoelim p	4680	n.c.		
Hapoelim r	3720	144	+15	+0.4
Hapoelim b	3720	144	+15	+0.4
Hapoelim on 8	14000	10	+70	+0.5
General A	10703	83	+973	+9.1
General on 8	122300	n.c.		
General on 9	9090	29	+70	+0.8
General on 7	7280	20	+10	+0.1
General on 6	645	124	+16	+2.5
Leumi 0.1	2345	5374	n.c.	
Leumi on 9	3160	100	n.c.	
Leumi on 11	980	59	n.c.	
Finance Trade 1	3200	243	+10	+0.3
Finance Trade 5	2059	12	+6	+0.3
Finance Trade 0.5	3610	7	+250	+7.4

Company	Price	Volume	Change	% change
Hotels, Tourism				
Galei Zahar 1	651	90	-75	-10.0
Galei Zahar 5	347	138	n.c.	
Dan Hotels 1	805	181	n.c.	
Dan Hotels 5	493	152	+25	+5.3
Coral Beach	330	656	+10	+3.1
Yarden Hotel	268	93	+3	+1.1
Yarden Hotel op	135	415	-1	-0.7
Yardenim	303	521	+40	+13.0
Yahalom op	198	102	-12	-6.7

Company	Price	Volume	Change	% change
Computers				
Dan	298	53	+6	+2.1
Hiron 1	450	141	+28	+6.5
Hiron 5	700	n.c.		
Ya'ane op	1650	127	n.c.	
Clal Comp.	630	141	+53	+8.2
Clal Comp. op	517	60	+27	+5.5
M.L.L. 1	1284	32	+1	+0.1
M.L.L. 5	551	52	n.c.	
M.L.L. op	370	5	-80	-11.9
Ma'achav	365	159	+5	+1.4
Nikus 1	369	58	-19	-5.1
Nikus 5	198	100	-19	-9.8
Nikus op	1400	18	n.c.	
Team op	980	148	+135	+15.9

Company	Price	Volume	Change	% change
Real Estate, Building				
Oren	285	321	+20	+7.6
Azorim Prop	381	7071	-70	-22.5
Azorim op	303	61	+15	+5.2
Eilon	64	249	+7	+9.7
Eilon op	58	223	+3	+6.4
Amotim op	155	674	+15	+9.7
Africa Int. 0.1	2470	120	+140	+6.0
Africa Int. 1.0	1980	155	+112	+6.0
Azazim	175	255	+13	+8.0
Azazim op	133	147	n.c.	
Aradim 0.1	590	21	+7	+1.2
Aradim 0.5	192	150	-1	-0.5
Ben Yakar 1	344	58	+30	+9.6
Ben Yakar 5	206	31	-7	-3.5
Baranovitz 1	149	1854	+13	+9.9
Baranovitz 5	110	772	+10	+10.0
Baranovitz op	79	1033	+5	+6.8
Dankner	198	1718	+14	+7.6
Drucker 1	347	1808	+32	+10.2
Drucker 5	167	1651	+15	+9.9
Drucker op	140	481	n.c.	

Company	Price	Volume	Change	% change
Mortgage Banks				
Adanim 0.1	1490	84	n.c.	
Gen. Mortgage	1764	b.a.1	+84	+5
Gen. Mortgage	1727	9	+100	+6.2
Carmel r	1265	43	+10	+0.8
Carmel op	860	176	+30	+3.4
Carmel deb	201	572	+2	+1.0
Binyan	1365	27	+124	+9.1
Dev. Mortgage r	735	97	+25	+3.5
Dev. Mortgage b	755	n.c.		
Dev. Mortgage op	790	115	+70	+9.7
Mizrahi r	3621	1	+10	+3.3
Mizrahi b	3450	27	n.c.	
Tefahot p	1650	15	+150	+9.1
Tefahot r	1640	191	+120	+7.6
Tefahot deb. 1	520	b.a.1	+25	+5.1
Tefahot deb. 2	151	244	+5	+3.3
Jaysour 1	340	1149	+30	+9.7
Jaysour 5	340	366	+20	+6.3
Jaysour op	309	301	+1	+0.3
Mervar	390	1327	n.c.	

Company	Price	Volume	Change	% change
Financial Institutions				
Shilon r	186	1028	+13	+7.5
Shilon op	1455	1	+175	+13.7
Agriculture A	15000	n.c.		
Agriculture C	13050	n.c.		
Leumi Ind. r	1270	10	+54	+4.4
Leumi Ind. b	1270	22	+54	+4.4
Dev. Mortgage r	11000	5	+770	+7.5
Dev. Mortgage b	30900	3	n.c.	
Dev. Mortgage op	18700	3	n.c.	
Dev. Mortgage deb	17000	n.c.		
Dev. Mortgage	5833	n.c.		
Contractors	186	449	+17	+9.1
Tourism	13514	n.c.		
Clal Lease 0.1	528	151	+8	+1.5
Clal Lease 0.5	345	235	+10	+3.5
Clal Lease deb	910	169	+15	+1.7

Company	Price	Volume	Change	% change
Insurance				
Arish 1	828	558	+120	+17
Arish 5	700	229	+130	+22.8
Arish sub deb	4841	10	+231	+5.0
Arish 0.1	1049	b.a.1	+50	+5.0
Arish 0.5	329	b.a.1	+15	+4.8
Reinsur 0.1 r	850	17	-50	-5.6
Reinsur 0.5 r	240	183	+15	+6.7
Hadar 1	424	93	-1	-0.2
Hadar 5	760	1479	+5	+0.7
Havnech r	924	216	+6	+0.7
Phoenix 0.1 r	1416	51	n.c.	
Phoenix 0.5 r	543	24	+30	+5.9
Hamishmar 1	620	152	+5	+0.8
Hamishmar 5	586	20	n.c.	
Hamishmar op	730	16	n.c.	
Yardenia 0.1 r	371	b.a.1	+17	+4.8
Yardenia 0.5 r	165	495	+15	+10.0
Yardenia op 2	115	138	+15	+15.0
Menorah 1	1470	85	+5	+0.3
Menorah 5	400	85	+30	+7.1
Sahar r	1500	26	+100	+7.1
Securities r	290	710	n.c.	
Zur r	786	64	+5	+0.6
Zion Hold. 1	465	31	+10	+2.2
Zion Hold. 5	200	235	+6	+3.1

Company	Price	Volume	Change	% change
Trade & Services				
Meir Ezra	335	336	+25	+8.1
Meir Ezra op	194	294	n.c.	
Teia r	341	b.a.1	+11	+4.8
Teia 5	125	b.a.1	+6	+5.5
Clal Trade	680	533	+17	+2.4
Clal Trade op	1121	156	+80	+7.7
Crystal 1	229	316	+21	+10.1
Rapac 0.1	1230	20	+80	+7.7
Rapac 0.5	287	92	+10	+3.6
Supersol r	2230	96	+130	+5.7
Supersol B 10	1090	474	+5	+0.5
Supersol op C	725	100	+30	+4.3

Company	Price	Volume	Change	% change
Services				
Delek r	2335	160	n.c.	
Harel 1	715	87	-35	-4.7
Harel 5	339	36	n.c.	
Lighterage 0.1	955	235	+85	+9.8
Gold Store 0.1	430	584	+20	+4.9
Gold Store 0.5	8049	b.a.1	+383	+5
Israel Elec.	n.c.	n.c.		
Bond Ware 0.1	447	478	+40	+9.8
Bond Ware 0.5	285	532	+35	+14.5
Bond Ware op	586	265	+15	+2.6
Consort 0.5	352	497	n.c.	
Consort op A	333	38	n.c.	
Consort op B	310	31	-21	-7.3
Kopel op	187	n.c.		

**Prof. Adrian Sinfield**  
of the University of Edinburgh  
on  
**Poverty, Privilege and the Impact of Welfare**  
Wednesday, March 7, 1984 at 4.00 p.m.  
in Lecture Hall 283 of the Social Work —  
Education Building, The Hebrew University,  
Mt. Scopus.



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## Orgad's printing machine

THE U.S. CONGRESS has just given Israel's ailing economy another shot in the arm. It has increased the economic aid grant by adding \$250 million to the \$850m. which the administration had requested. This is in addition to earlier largesse, by which all of the aid to Israel for the current American fiscal year was paid in advance by last December, and all the aid for the next fiscal year was converted into grants.

The additional aid will not solve Israel's economic problems, but could be a significant contribution, depending on what it does with it.

If the extra aid is taken by the Treasury as a licence to convert it into shekels for domestic spending or to go on printing cash to the tune of \$200m. a month, as it has been doing for three months running, the windfall from the U.S. will soon be gone with the wind.

Last week, it was officially announced that in February the Treasury had printed IS26.5b. — the equivalent of \$200m. In January, the figure stood at some IS20b., and in December — at IS28b. For the massive money printing of January, the Treasury had the explanation that half of the money injected into the economy went to buy up government bonds that were being dumped by firms and individuals to raise cash in the face of the credit squeeze. For February, that excuse is no more. Most of the cash created out of nowhere went to finance the government's current expenditures. This — despite the fact that expenditures shrank as wages were eroded and real activity was contracted.

The problem, therefore, is not on the expenditure side, but in the ominous lag of revenue behind expectations. Ominous, because even if the figure of excess spending in March shows some improvement as revenues rise by the end of the fiscal year, the Treasury seems to have no short-term remedy for the shortfall of revenue. As a matter of fact, it does not seem to have a long-term remedy either, and its revenue forecasts for fiscal 1984, as given in the budget proposal now under discussion in the Knesset, are likely to be hopelessly over-optimistic.

Continued money printing at the present rate not only means that inflation, already boosted to an annual rate of 400 per cent or more, will be speeded up. As it is speeded up, it will wreak havoc with the entire social fabric and destroy the arrangements that hitherto made it possible to keep the process of production going even with high inflation. It will also deflect the main thrust of the policy implicitly pursued by Finance Minister Cohen-Orgad — the improvement in the balance of payments, for which he has given up any attempt to hold inflation in check.

For this much should be clear: Beyond a certain rate of inflation there is no longer any trade-off between inflation and improving the balance of payments. As the former soars, the payments gap will grow wider instead of narrowing.

In the five months since Mr. Cohen-Orgad took office, he has managed to impose much hardship on many people. The question to which he owes an answer, not in Washington, but in Jerusalem, is whether hardship is going to be its own end, imposed merely to convince the U.S. that, by accepting it, we deserve help. Or will the finance minister be in a position to demonstrate that there is, at least, the beginning of an improvement in the balance of payments.

Until now he has not been able to provide any hopeful indications.

## LEBANON CONFERENCE

(Continued from Page One)

cording to official sources in Beirut over the weekend, Assad was prepared to give Jemayel a chance to negotiate an alternative arrangement providing safeguards for Israel's security along its northern border that would be acceptable to Damascus.

Assad appears to have removed their concern on this score, in return apparently getting the two opposition leaders to drop their earlier call for Jemayel's resignation.

Following yesterday's meeting with Assad in Damascus, neither Berri nor Jumblatt is reported to have repeated this demand, which Jumblatt in particular has been making at every opportunity in recent weeks.

If Jemayel does, in fact, meet Jemayel's ultimatum and announce the abrogation of the pact by tonight, the way would apparently be open to resuming the National Reconciliation conference later this week.

Two other key opposition leaders, the pro-Syrian former prime minister Rashid Karamé and former president Suleiman Frangieh, have already endorsed the agreement reached in Damascus last week, and are ready to take part in the reconvened conference.

The chief goal of the conference will be to redistribute power between Lebanon's various ethnic communities on more equitable lines, significantly reducing the predominant role until now enjoyed by the minority Maronite community.

For this reason, Jemayel is expected to encounter continued op-

position from various elements of the Maronite community — certainly from the Phalangite-dominated Lebanese Forces Christian militia, and possibly also from influential former president Camille Chamoun.

If he continues to enjoy the support of his father Pierre and the Phalangite Party which he heads, the chances are that Jemayel will go ahead with the conference even without the support of Chamoun and the Lebanese Forces — provided that Jumblatt and Berri indicate their willingness to attend.

Sources close to Berri and Jumblatt were quoted as saying last night that the two leaders would announce their position on attending the conference after Jemayel abrogates the accord with Israel.

Meanwhile, with sporadic fighting continuing between the army and the opposition militias both in the mountains east of Beirut and along the Green Line dividing the Moslem and Christian halves of the Lebanese capital, French Foreign Minister Claude Cheysson met Jemayel yesterday to discuss the withdrawal of French troops.

The 1,250 French soldiers in Beirut are the last remnant of a four-nation western force and diplomatic sources in Paris said Cheysson was seeking guarantees that withdrawing them would not lead to renewed fighting over their frontline positions.

After a two-hour meeting at the presidential palace outside the capital, Cheysson told reporters the withdrawal was one of the most important elements in their consultations but he gave no indication of when the operation might begin.

## COHEN-ORGAD'S SECRET PLAN

By ARYEH RUBINSTEIN

"ONE SHOULD not judge a man by what he says in his distress." Finance Minister Yigal Cohen-Orgad used this Talmudic quotation upon his return from Washington last Wednesday, thus belittling Yoram Aridor's scathing criticism of the minister's policy when he spoke in the Knesset the day before.

Cohen-Orgad cannot get off the hook that easily. Speakers in the debate had a difficult time. The budget includes no forecast of the extent of inflation or price increases in the coming year. Instead, it will be updated every three months, not simply to bring it in line with inflation but to introduce whatever changes the government sees fit.

Gad Ya'acobi, who spoke two weeks ago, right after Cohen-Orgad presented the budget, compared it to the non-denomination domestic postage stamps issued by the Communications Ministry because it was unable to print new stamps fast enough to keep up with the frequent rises in postal rates.

The speakers who followed last week had a more difficult job: they could not simply repeat Ya'acobi's criticism. They could, of course, talk about the things the budget does not contain, and some of these will be mentioned here. But the budget conceals more than it reveals, and if Cohen-Orgad has a plan he is keeping it to himself.

There certainly was a ring of "I told you so," not to say vindictiveness, in Aridor's polemic. And some opposition speakers, instead of sitting back and enjoying the Herut infighting, challenged Aridor's "moral right" to pontificate.

After he brought the economy to the brink of disaster, Aridor is the last person, etc., etc., declared Yehuda Hashai.

But Aridor has paid the price for his failure. Silencing him now might mean punishing ourselves more than him. And maybe he is a better critic than policy-maker.

Standing Voltaire on his head, we might well say: "Your right to speak is open to question, but for our own sakes we will consider your observations on their merits."

IF I UNDERSTAND him right, Aridor's message was not that dollarization is the only way out of our economic plight, but that if dollarization is not adopted then the government must employ an alternative plan for ending the linkage merry-go-round.

"Devaluation raises prices," he

explained in easy Hebrew. "Price increases trigger wage increases. Wage increases raise costs and hence prices. Price increases lead to devaluation."

The most attractive feature of dollarization seems to be its automatic ending of linkage. Everything would be denominated in dollars: wages, prices, credit and the budget. It would be a new ball game.

Cohen-Orgad said at the airport that when he winds up the budget debate, probably today, he will explain in detail "the extremely grave dangers" dollarization could bring about. We'll be listening.

But it will not suffice for him to shoot down dollarization. He must respond to Aridor's charge, made in distress or not, that the minister has no plan. If not by means of dollarization — or "currency reform" — how does he intend to halt the merry-go-round?

Another thing we'd like to learn from Cohen-Orgad is what the steady, but certainly not slow, devaluation he has presided over has accomplished for our economic recovery.

When he was sworn in as finance minister last October 18 (a week after the Aridor devaluation of 23 per cent), the dollar stood at IS81.85; as these lines are being written, the rate is IS138.99.

Just how has the 70 per cent devaluation in the last four and a half months helped to put us on our feet? And how much more must the shekel drop before the job is completed?

THE FORMER finance minister's strictures overshadowed everything else said in the debate, or likely to be said by the remaining speakers, even by Yigael Hurvitz, who in the past three years has not done a bad job at all of criticizing the policies of Aridor, his successor at the Treasury.

Twenty-four members have spoken in the debate already, and although there were not many gems among the dross, the points made by Aridor were not the only ones that demand a response from the minister.

Before mentioning them it should be noted that the only speech Cohen-Orgad heard was Ya'acobi's. At the airport last Wednesday, he expressed surprise that the debate had continued last Tuesday and Wednesday in his absence, although he had asked Speaker Menachem Savidor to postpone it until his return.

This is said to have been the first budget debate in Knesset history to take place while the finance minister was abroad. And members faulted senior Treasury officials for not having shown up, contrary to custom, and Deputy Minister Haim Kaufman for being more out of the chamber than in.

But let him who is without sin... On Wednesday, attendance during most of the day was less than 10, and it often happened that not a single coalition member was present, except for Economics Minister Ya'acov Meridor, who sat through the entire session, and the chairman — first Savidor and later Deputy Speaker Meir Cohen-Avidor.

The unusually poor attendance — at times only five or six — gave point to a proposal by David Magen (Likud-Herut) to save government expenditure by reducing the number of MKs from 120 to 70. I don't know how serious Magen was about this proposal — a private member's bill would have been the proper way to go about it — but it did give Yitzhak Berman (Likud-Liberal) the chance to ask Magen what he thought about linking MKs' salaries to their attendance in the plenum. Berman has already submitted a bill to that effect. Magen dodged that one by saying he would rather link the MK's pay to the sum total of his Knesset activities.

IF THE INTELLIGENT layman understands anything about Cohen-Orgad's policy, it is that he wants to tackle the balance of payments deficit first and worry about inflation later. And in his budget speech the minister predicted/promised that exports would rise in the coming year by 8.5 per cent and industrial exports by 15 per cent.

Imri Ron (Alignment-Mapam) was sceptical. But first he quoted from a speech made four years ago by the late Ya'acov Levinson. Israel had brought about an agricultural revolution because it had both skilled and highly motivated manpower and available capital for acquiring and developing the necessary technology. But it was mainly the money, in the form of government subsidies, Levinson maintained.

And what had worked with agriculture would work with industry, Levinson said. Today it is industry that should be subsidized, capital-intensive and technology-intensive enterprises in particular.

Ron took the ball from there. Massive incentives should be given to factory workers, especially those

## Dry Bones

MR JUMBLATT  
... IS JEMAYEL  
NOW A SYRIAN  
PUPPET?

NO COMMENT.

ISNT IT TRUE  
THAT THEY  
CUT HIM UP, HAD  
HIM STUFFED,  
AND SENT HIM  
HOME...LOOKING LIKE  
A TEDDY BEAR  
WITH A BLUE  
RIBBON AROUND  
HIS NECK?!WELL, I  
WOULDN'T GO  
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SHOE-BUTTON  
EYES.

in export industries. Their taxes should be reduced, their working conditions improved. Technology-based plants should be particularly favoured.

But the budget contains not even a glimmer of hope for the exporter, Ron said. Inflation has already eaten up the devaluations of August and October, and the exporter is again at a disadvantage in relation to the European currencies. The development budget for industry is to be cut by 44 per cent and that for agriculture by 43 per cent. Support for local production is scheduled to decrease by 21 per cent. What basis is there, then, for predicting a rise in exports?

On the same theme, Amnon Rubinstein (Shinui) noted that Israeli industry employs 25 per cent of all workers, and agriculture another 2.3 per cent. Total: 27 per cent, plus. In Germany and in Holland, the figure for industry and agriculture together is 48.5 per cent and in Japan, 34 per cent.

But why shouldn't discharged soldiers prefer white-collar jobs in banks or government offices, where they can look forward to having a private desk and telephone, to work in a drab factory — unless the pay, working conditions, and tax incentives overcome the initial aversion?

SHEVAH WEISS (Alignment) said that none of the recipes of the economists would curb inflation if we didn't do something about the "asymmetry between producers and managers."

He recalled that he had favoured the establishment of Haifa University as part of the Technion instead of as a separate institution, and for

that he had been denounced by his colleagues in the university "guild." We can expect no relief if the creative art must carry on its back the heavy brick of administrators and managers. (Yigael Hurvitz: "Hear, hear!")

Weiss also called for greater parsimony in handing out public funds and for "tempering our joy" in social legislation. (Again Hurvitz expressed his approval.) Weiss did not elaborate, but he presumably had in mind something like Yigael Cohen's (Likud-La'am) statistics.

Expenditure on social betterment rose from 14 per cent of the GNP in 1972 to 22 per cent in 1982, Cohen said. We cannot continue with such a wasteful policy, and one not necessarily based on principles of social justice," he maintained.

To that, Cohen-Orgad undoubtedly says Amen. When he was an ordinary MK, he was one of the few who, a few years back, opposed Zevulun Hammer's "achievement" in pushing through the bill making secondary education free for all, regarding it as a political gimmick.

But Cohen-Orgad has Tami breathing down his neck. The speech of Deputy Social Affairs Minister Benzion Rubin was full of warnings that Tami would take an independent stand in the Finance Committee on many points in the budget. And on the education fee he said flatly: over our dead bodies.

Perhaps we can sympathize with the finance minister's difficulty in forging a consistent policy. But that does not mean that we can be led to believe that he has a plan when he hasn't.

The writer is the Knesset Reporter of The Jerusalem Post.

## READERS' LETTERS

## TAINTED FINDINGS

To the Editor of The Jerusalem Post: Sir, — Steven Cohen's methodology in polling American Jews and Jewish leadership was demolished with such devastating precision by Shmuel Katz in his February 17 article that any further criticism might seem like kicking a man when he's down. Nevertheless, the job must be done — even assuming (which I do not) that Cohen's sampling technique is defensible. That is because his assault of February 16 on the representative and consensual nature of the positions expressed by the chairman of the Conference of Presidents of Major American Jewish Organizations was so irresponsible that exception must be taken not only to his methods, but to the conclusions he drew.

In asserting that the position expressed in The Jerusalem Post by Julius Berman, Conference chairman, "actually misrepresents and distorts the views of the constituency in whose behalf it claims to speak," Steven Cohen levelled a charge that, if it is to be taken seriously, must be substantiated. How did he do so? By begging the question. Three examples will suffice.

By 48 to 26 per cent, he wrote, American Jews support the statement that "Palestinians have a right to a homeland on the West Bank so long as it does not threaten Israel." (Emphasis added.) By 42 to 34 per cent, he claimed, American Jews support the idea that "Israel should offer the Arabs territorial compromise in the West Bank and Gaza in return for credible guarantees of peace." Finally, by 70 to 17 per cent, he asserted that American Jews agree that "Israel should talk with the PLO if the PLO recognizes Israel and renounces terrorism." This justifies the conclusion, according to Mr. Cohen, that American Jewish opposition to the PLO is "highly conditional."

The surrealistic conditions Mr. Cohen attached to these statements speak for themselves. If the PLO recognizes Israel and renounces terrorism, it will no longer be the PLO and even Shmuel Katz might agree to negotiate with its leaders. Indeed, the possibilities opened by Steven Cohen with his big "if's" are fascinating. If the Soviet Union abandoned Communism, the American people would quickly lose their distaste for the regime in the Kremlin. If the Ayatollah Khomeini turned his back on theocratic fanaticism, Americans might well urge reopening the U.S. embassy in Teheran. Does that mean that U.S. opposition to Soviet Communism and Khomeinism is, in Cohen's phrase, "highly conditional?"

Steven Cohen has rendered a disservice to the science of polling not only by his faulty sample, but by the way he posed his statements and the conclusions he drew from the responses to them. And he has done a disservice to the American Jewish community by attacking the legitimacy of the views expressed by its most representative organization on the basis of his tainted findings.

RICHARD COHEN  
Spokesman, Conference of Presidents of Major American Jewish Organizations  
Jerusalem (New York)

PENFRIENDS  
ANNE DGBROWSKE of Ul. Okreza 4, 02-916 Warsaw, Poland, is an art student who would like to correspond with Israelis in English, German, Yiddish or Polish.

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## EXPORTING FOWL

To the Editor of The Jerusalem Post: Sir, — I refer to your report of February 23, "American poultry epidemic may open door to Israeli fowl."

May I point out that chickens in America (even kosher chickens) come from the packing house clean, odour free and ready for the pan. No American cook will be willing to spend hours scalding, singeing, scraping and plucking chickens as we Israeli cooks must do.

If we want to add to our already abysmal image, we will export our over-salted, maimed and befuddled "fowl" to North America. Lasting and significant impressions are made in the kitchen. Or maybe we could learn to do it right?

LEAH ESTERSON  
Jerusalem.

## SCHOLARSHIPS

To the Editor of The Jerusalem Post: Sir, — We refer to your report of February 20 to the effect that university student leaders are concerned over treasury plans to raise tuition fees for the next academic year. We would like to bring to the attention of Ladino and Turkish-speaking students that our foundation, which was established in 1983 with government approval, is inviting applications for scholarships.

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057-37072

## SETTLING THE NEGEV

To the Editor of The Jerusalem Post: Sir, — I found the article by Liora Moriel, "A dream that failed," intriguing both for what it said and for what it did not say.

The fact is that after Ben-Gurion, there were many willing and able Israelis to lead the children of Israel into the Negev desert. It is not just an irony that keeps the people from reclaiming this part of their land.

I suggest that investigation going beyond that of the author's will clearly show that intervention of the Begin government in turning the people east instead of south to the

Negev has been the major factor in making this dream only a fantasy. New roads, bus service, inexpensive housing, the use of at least \$18 million of precious money from the national treasury to move industry out of Israel and into the West Bank: it seems that Ben-Gurion was the dreamer and Begin the seducer.

As during his lifetime, the dreams and aspirations of Ben-Gurion prevailed over those of Menachem Begin, I pray that older dreams and dreamers will once again prevail.

IRVING CRAMER  
Los Angeles, California.

## EASY HEBREW

To the Editor of The Jerusalem Post: Sir, — I listened to Kol Yisrael's programme in easy Hebrew for the first time this morning and I found it most helpful. Unfortunately, the programme is only broadcast in the morning, when most ulpan classes in the country are in session. As a result, we ulpan students are unable to listen to this programme except once or twice a week on our free days.

I would suggest that Kol Yisrael schedule this programme also in the afternoon or evening so that those of us attending ulpan classes may

benefit fully from this worthwhile programme.

LINDA WEINBERG  
Beersheba.

Kol Yisrael replies: The schedule of easy Hebrew broadcasts is fixed in accordance with listeners' wishes and the requirements of our other programmes.

We have taken due note of Linda Weinberg's request and will try to satisfy it.

ZIVA LEVIN, Spokeswoman  
Jerusalem.

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1. CENTRAL GALILEE: visiting Carmel and the Segov area, departing from Tel Aviv. For details and registration, call 03-268842 or 03-268311, ext. 28. Office hours: Sunday — Thursday 8 a.m.-3 p.m. Friday 8 a.m.-1 p.m. Registration closes Tuesday, Feb. 6, 12 noon.  
2. NEW TOWNS AND COMMUNITIES IN SAMARIA. Departing from Jerusalem. For details and registration, call 02-246822. Office hours, Sunday — Thursday, 8 a.m.-3 p.m., Friday 8 a.m.-1 p.m. Registration closes Tuesday, Feb. 6, 1984.